

**PROCEEDINGS AT HEARING  
OF  
SEPTEMBER 10, 2021**

**COMMISSIONER AUSTIN F. CULLEN**

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**September 10, 2021**

**(Via videoconference)**

**(PROCEEDINGS COMMENCED AT 3:00 P.M.)**

THE REGISTRAR: Good afternoon. The hearing is now resumed. Mr. Commissioner.

THE COMMISSIONER: Thank you, Madam Registrar.

Mr. McGowan, we're ready to proceed with Ms. Bevan?

MR. MCGOWAN: That's correct, Mr. Commissioner.

THE COMMISSIONER: All right. Thank you. So Ms. Bevan on behalf of Gateway, who has been allocated 20 minutes.

**ROSS ALDERSON, a witness  
for the commission,  
recalled.**

MS. BEVAN: Thank you, Mr. Commissioner.

**EXAMINATION BY MS. BEVAN:**

Q Mr. Alderson, can you see and hear me clearly?

A I can, Ms. Bevan.

Q I am one of the lawyers for Gateway Casinos & Entertainment Ltd. Do you recall that Gateway operated Starlight Casino and Grand Villa Casino?

A Yes.

Q Okay. Earlier in your evidence yesterday you



- 1           A     Yes.
- 2           Q     So practically speaking how those transactions  
3                 occurred?
- 4           A     Sorry, the process from the buyer at the cage?  
5                 Is that what you're referring to?
- 6           Q     Yeah, yeah. So you're aware that cash buy-ins  
7                 were processed by cash cage employees at casinos  
8                 generally; correct?
- 9           A     Yes. For the larger amounts, yes. Sometimes at  
10                the tables for the smaller amounts, yep.
- 11          Q     And so at the tables for smaller amounts it  
12                would be dealers, and for larger amounts it  
13                would be a cash cage employee?
- 14          A     Yes. I think that's typical, yep.
- 15          Q     And those cash cage employees or dealers were  
16                not generally law enforcement officers or  
17                Special Constables?
- 18          A     Yes. True, yes.
- 19          Q     They're just the good working people of British  
20                Columbia who are civilians?
- 21          A     Yes.
- 22          Q     And BCLC provided training to cash cage  
23                employees and dealers with respect to AML  
24                measures; correct?
- 25          A     That's correct.

1 MS. BEVAN: Mr. Commissioner, I'm going to ask leave  
2 because I haven't given prior notice of this,  
3 but I have some questions that arise from  
4 yesterday's evidence, and I'd like to refer to  
5 exhibit 76. It's a document already marked as  
6 an exhibit before the commission, but it's an  
7 overview report, and in particular I'd like to  
8 go to the operational service agreements between  
9 BCLC and Gateway.

10 THE COMMISSIONER: Mr. McGowan.

11 MR. MCGOWAN: I think it's appropriate to perhaps see  
12 the document, allow the -- allow counsel to ask  
13 the question and then hear from the witness or  
14 his counsel if any unfairness or difficulty  
15 arises.

16 THE COMMISSIONER: All right. Fair enough. Proceed,  
17 then, on that basis, Ms. Bevan.

18 MS. BEVAN: Thank you. It's exhibit 76. In  
19 particular PDF page 301. And this is an  
20 operational services agreement, and perhaps this  
21 will be of assistance to Mr. Alderson and his  
22 counsel. I don't expect, given the date of this  
23 agreement, that Mr. Alderson has seen this  
24 document before. It's dated April 1, 2018, and  
25 so I don't expect that Mr. Alderson has seen

1                   this document.

2                   Q     But, Mr. Alderson, perhaps you could confirm  
3                   that that's correct.

4                   A     That's correct. I've never seen this document,  
5                   that's correct. I had left the industry by  
6                   then.

7                   Q     But I wanted to ask you about some of the  
8                   concepts in this document, if I may,  
9                   understanding that this isn't a document that  
10                  you would have reviewed. But did you ever have  
11                  occasion to review before 2018 the operational  
12                  service agreements between BCLC and Gateway?

13                  A     That I couldn't tell you, Ms. Bevan. I'm not  
14                  sure I would have. It's possible, but that  
15                  wasn't part of my day-to-day duties. That was  
16                  generally at casino division and our compliance  
17                  folks. There's a compliance director that had  
18                  input into that. I may have. I just don't  
19                  recall.

20                  Q     Okay. And then I'd like to perhaps ask you  
21                  about some of the concepts that are contained in  
22                  here but just the broader concepts. And so to  
23                  do that I'd like to go to page 304, if I may.  
24                  In the middle of the screen at paragraph 3.1  
25                  there's a heading that says "Conduct Management





1                   of and as agent for the corporation."

2                   Did you understand that there was this  
3                   relationship between Gateway and BCLC while you  
4                   were there?

5           A       Yes. I'm not sure that the exact wording is the  
6                   same as it was -- I don't recall ever seeing any  
7                   of that chip liability, but it's quite possible.  
8                   But the concept I would agree with, yes.

9           Q       And similarly with respect to (e) which refers  
10                  to:

11                         "Adherence to cash management policies and  
12                         procedures set out in the BCLC standard,  
13                         or as otherwise prescribed by the  
14                         corporation."

15                  Did you have an understanding that there was an  
16                  obligation by -- on the service provider to  
17                  adhere to those cash management policies and  
18                  procedures as set out by BCLC?

19           A       Again, I guess so. I just -- again, I haven't  
20                   seen this document, so -- but, again, I agree  
21                   with the concept.

22           MS. BEVAN: Okay. And at page 314, if I may, Madam  
23                   Registrar.

24           Q       At 8.2 this provision refers to appointment as  
25                   trustee, and it essentially says that the

1 service provider acknowledges and agrees that  
2 the corporation is the sole and absolute legal  
3 and beneficial owner of the revenue and holds  
4 and deals with those funds as trustee for the  
5 corporation. As a general concept, did you have  
6 an understanding while you were at BCLC in your  
7 role as a director that all of the money  
8 accepted at the cash cage belonged to BCLC?

9 A No, that wasn't my understanding. I knew that  
10 the service provider got their cut and BCLC got  
11 their cut, and that was my recollection of it  
12 all. I don't -- other than that, that's detail  
13 there that I'm not familiar with.

14 Q Okay. Thank you. Do you recall ever  
15 communicating your view that Gateway could or  
16 should refuse to accept cash transactions in  
17 circumstances where there was no direction from  
18 BCLC to do so to Gateway?

19 A That I personally -- other than -- I mean, I  
20 wrote some directives in 2015 to refuse cash for  
21 certain individuals. And from that period on  
22 there were a number of written directives.  
23 Certainly throughout the 2015 to the end of 2017  
24 when I left, there was -- I'm aware of monthly  
25 meetings between the BCLC AML team and service

1 provider staff, and that would include Gateway  
2 staff to discuss different circumstances. And I  
3 know that Gateway were refusing cash  
4 transactions based on deliveries and that was  
5 something that had come out of those meetings.  
6 But that's about it, I think.

7 Q Okay. I'm going to ask you, I think, about  
8 those directives.

9 MS. BEVAN: And I'm done with this document, thank  
10 you, Madam Registrar.

11 Q When BCLC began doing player interviews in  
12 2015 -- and I guess I should first ask: you  
13 agree with me BCLC began doing player interviews  
14 in 2015?

15 A As part of a cash conditioning program, yes.

16 Q And it was your view, I think, as you expressed  
17 yesterday, that you did not want service  
18 providers to sit in on those interviews?

19 A No, for the -- for the evidence, to have direct  
20 evidence, I thought it was more appropriate that  
21 BCLC conducted those interviews.

22 Q Okay. And copies or documents related to those  
23 interviews were not provided to service  
24 providers; correct?

25 A I don't believe so, no.

1 Q Okay. And Gateway -- Gateway certainly wouldn't  
2 have information about interviews of players  
3 happening at River Rock or Edgewater; correct?

4 A It wouldn't have been initiated by myself. I  
5 can't say they didn't, no. Maybe initiated by  
6 someone else. But that wasn't the policy or the  
7 procedure.

8 Q Okay. And when you first had that discussion  
9 that you referred to yesterday with Inspector  
10 Chrustie about the investigation that was  
11 underway then, you didn't tell any of your  
12 contacts at Gateway about that investigation or  
13 that information?

14 A No. I was asked by the police not to. We -- to  
15 specific details. We did have a meeting with  
16 all the service providers. I would -- I don't  
17 know the exact date, but I think it would have  
18 been in probably in the immediate two to three  
19 weeks after that meeting with Mr. Chrustie, and  
20 we outlined to the service providers at that  
21 time that there were doing to be cash  
22 conditions, and it was in relation to a police  
23 investigation, however we couldn't  
24 [indiscernible], as I remember.

25 Q Okay. Thank you.

1           A     Yes.

2           MS. BEVAN:  And with respect to the written  
3                    directives that you were just talking about, if  
4                    I can, I'd also like to refer to exhibit 148,  
5                    which, again, Mr. Commissioner, I haven't  
6                    provided the witness notice that I would refer  
7                    to this, but there are some of those written  
8                    directives that Mr. Alderson has mentioned  
9                    appended to exhibit 148, and I think it would be  
10                  helpful if we went there.

11          THE COMMISSIONER:  All right.  Well, I think on the  
12                  same footing that we've dealt with the last  
13                  exhibit, that is if Mr. Jaffe has any objection,  
14                  he can raise it once the exhibit is identified  
15                  and shown to the witness.

16          MS. BEVAN:  Thank you.  So, Madam Registrar,  
17                  specifically page 492, which is on a PDF, which  
18                  is exhibit 49 to affidavit number 1 of  
19                  Mr. Tottenham.

20          Q     Mr. Alderson, can you see that document on the  
21                  screen there?

22          A     Yes.

23          MS. BEVAN:  And, Madam Registrar, if you just want to  
24                  scroll to the next page so Mr. Alderson can have  
25                  a look.

1           Q     This is a copy of a document signed by you,  
2                    Mr. Alderson, in around May 2016 about cash  
3                    condition, sourced-cash conditions with respect  
4                    to 34 players. Do you recall this document?

5           A     Vaguely, yes.

6           Q     Okay. And if we scroll back up to the first  
7                    page, the second paragraph, the first two phases  
8                    of the strategy, the AML strategy referred to in  
9                    this document, focus on the development of cash  
10                   alternatives and the promotion of their use by  
11                   patrons. Was it your experience that Gateway  
12                   was in favour of cash alternatives and their  
13                   promotion among patrons?

14          A     Yes.

15          Q     And then down further on the document refers to  
16                   the third phase, which is now placing  
17                   conditioning cash acceptance on certain players.  
18                   And in the second to last paragraph here, it  
19                   refers to BCLC wishing to work collaboratively  
20                   with service provider partners. Do you see  
21                   that?

22          A     M'mm-hmm.

23          Q     That's yes, sorry?

24          A     Yes, sorry. Yes.

25          Q     Thank you. That's all right. You mean that --

1           you mean by this comment or I understand by this  
2           comment -- you can correct me if I'm wrong --  
3           that service providers would be enlisted to ask  
4           the questions that are in the interview form  
5           attached; is that correct?

6           A    Depending on the circumstances.  Not always, no.  
7           I mean, there was another document sent out  
8           which outlined the different circumstances, and  
9           I think that it was more appropriate for a  
10          private investigator to -- particularly with  
11          sources of cash.  There may well be some  
12          information disclosed by the player that could  
13          have been of a concern, and I don't think it was  
14          appropriate from a cash cage [indiscernible].  
15          They might have been uncomfortable.

16          Q    Okay.  And I think what you're referring to  
17          there is the interviewing protocol document that  
18          BCLC created.

19          A    That sounds about right.

20          Q    Okay.  On the second page of this document --  
21          MS. BEVAN:  Madam Registrar, page 493.

22          Q    The second paragraph says:

23                        "BCLC will then analyze the information  
24                        provided to determine if further action is  
25                        required."

1 Do you see that?

2 A Yes.

3 Q And would you agree that this is because BCLC  
4 was in a better position to make a decision  
5 about what further action is required, a better  
6 position than service providers were?

7 A After the interviews, yes, for sure. From the  
8 information gained from the interview, they were  
9 able to take -- BCLC were in a better position  
10 to take action.

11 Q Okay. And one of the reasons BCLC is in a  
12 better position is because Gateway and other  
13 service providers don't have visibility into  
14 what's happening at other non-Gateway Casinos,  
15 for example?

16 A Yeah, I think that's -- that's fair.

17 Q Okay. And just as an example of that, if we  
18 turn to the next exhibit, exhibit 50.

19 MS. BEVAN: So just a few pages down, Madam  
20 Registrar, sorry. Yes, thank you. Exactly.  
21 This is a letter dated April 3rd, 2017, so a few  
22 months after this previous document was sent,  
23 and if you scroll down to the next page, Madam  
24 Registrar, I think we can show Mr. Alderson his  
25 signature on this document as well.



1 Q Do you recall sending out a document -- this  
2 document in or around April 2017, Mr. Alderson?

3 A I do, yes.

4 MS. BEVAN: And then back up the page, Madam  
5 Registrar, to 499. Thank you.

6 Q There's a paragraph in here that refers to two  
7 business days, and in this letter it says that  
8 there is a limitation of two business days on  
9 how far back service providers can go in terms  
10 of source disbursements. Do you see that?

11 A Yes.

12 Q And you mention in this letter that one of the  
13 reasons two business days only is acceptable is  
14 because service providers don't have visibility  
15 into play at other sites. Do you see that?

16 A Yes.

17 Q And that was the case throughout your tenure as  
18 director?

19 A The two business days or that they didn't have  
20 visibility?

21 Q That they didn't have visibility.

22 A Yeah, okay. Yes, that's correct. The main  
23 software system that was used was iTrak and BCLC  
24 had a global view. The service providers  
25 themselves only saw what [indiscernible].



1                   Mr. Lightbody, who has been allocated  
2                   20 minutes.

3                   MR. McFEE: Thank you, Mr. Commissioner.

4                   **EXAMINATION BY MR. MCFEE:**

5                   Q     Mr. Alderson, can you hear me okay?

6                   A     I can, Mr. McFee.

7                   Q     Thank you. During your tenure with BCLC, as I  
8                   understood your evidence, you had direct  
9                   involvement in the casino side of the business,  
10                  so focusing on the casino side, in two time  
11                  frames; correct?

12                  A     Yes.

13                  Q     So it was from early 2011 to March 2012 as a  
14                  casino investigator, that's the first phase;  
15                  correct?

16                  A     Yes, I think those timelines are accurate, yep.

17                  Q     And then there was a bit of a three-year hiatus  
18                  away from casinos from March 2012 to April 2015  
19                  when you were the manager of investigations for  
20                  online gambling; correct?

21                  A     That's correct.

22                  Q     Then you returned to the casino side of the  
23                  business on April 17th, 2015, when you were  
24                  appointed the Director of AML and Operational  
25                  Analysis?

1           A     That's correct.  As I alluded to yesterday, that  
2                    I probably didn't take on the role until about  
3                    June because I was still fulfilling the previous  
4                    role.

5           Q     You were wearing two hats for a while, were you?

6           A     I was.

7           Q     Yeah.  But am I correct that the actual  
8                    appointment, your appointment as director of AML  
9                    and operational analysis was April 17th, 2015?

10          A     I believe so, yes.

11          Q     And in the intervening three years, so when you  
12                    were at casinos, away from casinos and back in  
13                    those three years there had been changes in BCLC  
14                    senior management; correct?

15          A     Yes.

16          Q     And in particular in February 2013 Mr. Desmarais  
17                    was appointed VP of Corporate Security and  
18                    Compliance.  Do you recall that?

19          A     I can't recall the exact date, Mr. McFee, but  
20                    that sounds about right.

21          Q     From my client's perspective -- you recall in  
22                    February 2014 Mr. Lightbody was appointed the  
23                    interim president and CEO?

24          A     Yes.  About that time.  Like I said, I can't be  
25                    sure of the exact dates, but that sounds about

1 right [indiscernible].

2 Q And then in the 2011 to March 2012 time frame  
3 when you served as a casino investigator, you  
4 and the other BCLC investigators didn't have any  
5 police powers in that you weren't Special  
6 Constables under the *Police Act*; correct?

7 A That's correct.

8 Q And you gave some evidence yesterday, but I just  
9 want to make sure I understood it. Did you  
10 understand that BCLC investigators' role was to  
11 observe and record and report transactions in  
12 the casinos?

13 A Well, I think as I said yesterday, that was a  
14 little bit vague on that because there were  
15 certainly -- that was not the expectation for  
16 the lottery and the e-lottery investigations.  
17 And I was never really given any clear direction  
18 on that when I went into the casinos and the  
19 expectation I thought was to investigate  
20 suspicious circumstances, but as I alluded to, I  
21 was told that [indiscernible] my job,  
22 [indiscernible].

23 Q But to be clear, as a casino investigator, you  
24 weren't armed with the police powers necessary  
25 to investigate money laundering; correct?

1           A     Not to bring any charges or anything like that.  
2                    As I said, any member of the public can  
3                    investigate anything. We were conducting and  
4                    managing the gaming industry, so I assumed that  
5                    there were expectations that -- and we were the  
6                    reporting entity to FINTRAC. There was  
7                    expectation there for an AML regime to have a --  
8                    in regards to AML regime.

9           Q     But in terms of BCLC's role in conduct and  
10                   manage, you understood that part of that was to  
11                   manage an appropriate risk-based AML program;  
12                   correct?

13          A     That's fair, yes.

14          Q     And in terms of an appropriate risk-based AML  
15                   program, that fell directly under your portfolio  
16                   when you became the director of AML; correct?

17          A     That's correct.

18          Q     And when you became the director of AML you've  
19                   told the commission it took a little while to  
20                   get the lay of the land, but I take it you  
21                   understood that BCLC had taken a number of steps  
22                   before you became the director to implement and  
23                   manage a risk-based AML program; correct?

24          A     Yes, they have.

25          Q     And that included adhering to GPEB's three-phase

1 AML strategy by creating and implementing cash  
2 alternatives. You were aware of that?

3 A Yes.

4 Q And you've mentioned in response to Mr. Smart's  
5 question establishing an information sharing  
6 agreement with the RCMP?

7 A Yes.

8 Q And importantly from your perspective, before  
9 you became the director but -- BCLC established  
10 a dedicated AML unit in February of 2014;  
11 correct?

12 A Yes, they did.

13 Q And during your tenure as the director, as I  
14 understood your evidence, that AML unit was  
15 expended significantly, particularly when it was  
16 coupled with the investigation unit?

17 A In 2016, yes.

18 Q And did you as the director view all of those  
19 steps as positive steps in terms of building an  
20 appropriate risk-based AML program?

21 A I did.

22 Q And when you were appointed the director of AML,  
23 did you understand that part of your mandate was  
24 to implement what BCLC described as a best in  
25 class AML regime for BC casinos?

1           A     Well, yes.

2           Q     And did it appear to you that BCLC, your  
3                   executives under Mr. Lightbody's direction were  
4                   committed to implementing and funding the  
5                   necessary steps to establish and manage an  
6                   appropriate risk-based AML program?

7           A     Well, as I did give evidence yesterday, I mean,  
8                   I did make some recommendations in 2015 which  
9                   were implemented which I believe were  
10                  appropriate at the time, so -- but the steps  
11                  that were taken throughout, they were all  
12                  positive, and I would agree with that.

13          Q     Now, when you were appointed in April of 2015  
14                  the director of AML and operational analytics --  
15                  I want to emphasize the operational analytics  
16                  for a moment -- was one of your main focuses to  
17                  evaluate and where needed strengthen the  
18                  components of BCLC's AML regime?

19          A     I don't recall the exact requirements that were  
20                  asked of me at that time, but there were  
21                  definitely -- I mean, there were three staff,  
22                  so, you know, there was -- they were trying to  
23                  bring on at that time one of the main focuses of  
24                  the operation of analytics was a new software  
25                  system.



1 Q Right.

2 A And that was one of my key responsibilities was  
3 to try and get that off the ground to give us  
4 more visibility. So that was -- and there were  
5 two -- there was one analyst and one was being  
6 trained. So it was more about analyzing data  
7 than anything else, I probably would  
8 [indiscernible].

9 Q Well, let's just focus on that for a moment.  
10 Did you observe that prior to 2014 BCLC had very  
11 little analytical capacity?

12 A Prior to 2014?

13 Q Yes.

14 A Yes, I think that's fair to say.

15 Q Okay. And in your time as a casino investigator  
16 and then more importantly as the Director of  
17 AML, did you observe that before 2014 most of  
18 BCLC's patron and transaction monitoring was  
19 done manually by you and the other BCLC  
20 investigators and analysts who would then  
21 conduct open-source searches on available  
22 databases to acquire more information?

23 A Yes, that's fair. It was quite a cumbersome  
24 process.

25 Q And when you were appointed Director of AML and

1                   Operational Analysis, I take it you recognized  
2                   the challenges presented to BCLC by the sheer  
3                   volume of data collected and reports generated  
4                   for FINTRAC and GPEB?

5           A       Yes.

6           Q       And did you recognize, then, that a data  
7                   management analytics program was required and in  
8                   fact critical to allow BCLC to timely interpret  
9                   the data?

10          A       Yeah, I would agree with that.

11          Q       And I take it in your position you recognized  
12                   that data analytics can be an asset for  
13                   addressing large amounts of data, in particular  
14                   by finding patterns of activity that might  
15                   otherwise escape human detection.

16          A       Yes.

17          Q       And thus the -- having that type of analytical  
18                   capacity would assist BCLC to effectively report  
19                   to regulators and law enforcement?

20          A       It certainly would, yes.

21          Q       And in that context did you become aware that  
22                   just prior to you becoming the director, so in  
23                   the year prior, in the spring of 2014, BCLC had  
24                   engaged the software provider SAS to develop and  
25                   install a software suite to allow BCLC to mine

1                   and manage data and perform statistical  
2                   analysis?

3           A     Yes, I was aware of that.

4           Q     And did you or were you aware that SAS was the  
5                   provider of AML software for three of Canada's  
6                   major banks?

7           A     Yes, I was aware of that.

8           Q     And I've seen it in the documents, but I take it  
9                   you were also aware that at the time that there  
10                  were precious few analytical products in the  
11                  casino AML space.

12          A     Yeah, I think that's probably correct at that  
13                  time.

14          Q     So as a result the SAS banking software had to  
15                  be modified to serve BCLC's casino industry  
16                  needs?

17          A     Yes. If my memory serves me correct, Mr. McFee,  
18                  I don't think SAS was being used in any other  
19                  casino environment, so there were quite  
20                  significant changes to modify it to  
21                  [indiscernible].

22          Q     And that modification was going on while you  
23                  were the director of AML and analytical --

24          A     It was. Unfortunately it wasn't very  
25                  successful.

1           Q     And were you aware that BCLC's board of  
2                   directors in May of 2014 had authorized a  
3                   capital budget of \$7.4 million familiars to  
4                   acquire and implement the SAS software suite?

5           A     Yes, I believe that's about the right number. I  
6                   don't think all of that, though AML related. I  
7                   think it was being used by our other analytical  
8                   folks for other purposes as well.

9           Q     And although the AML component wasn't as  
10                  successful as you and the other BCLC people  
11                  might have hoped, from your perspective were  
12                  BCLC's efforts to acquire and implement this  
13                  greater analytical capacity a further example of  
14                  BCLC's commitment under Mr. Lightbody's  
15                  leadership to enhance the AML regime?

16          A     Yes.

17          Q     And was it your observation that under  
18                  Mr. Lightbody's leadership that he was always  
19                  prepared to acquire resources and hire personnel  
20                  and train personnel to strengthen BCLC's AML  
21                  protocols?

22          A     No, I wouldn't agree with that. I mean, in 2015  
23                  there was actually a hiring freeze and so there  
24                  had been a significant change in personnel. A  
25                  lot of people had left the organization and I

1           remember actually having a conversation with  
2           Mr. Lightbody about that, and that they'd had  
3           too many staff. So for quite a while there I  
4           think you'll find that even though there was a  
5           greater group of AML staff in 2016, that that  
6           was brought from existing staff. So I don't  
7           think if you looked at the numbers there were  
8           many new hires. I think it was mainly just a  
9           relocation of resources.

10          Q     But it was a relocation of resources to the AML  
11                 regime to help strengthen the AML regime;  
12                 correct?

13          A     That's correct. And that was -- that was driven  
14                 by a couple of the division -- corporate  
15                 security division, and certainly Mr. Lightbody  
16                 was supportive of that.

17          Q     And so you found Mr. Lightbody very supportive  
18                 of enhancing the AML team and the AML regime?

19          A     Yes.

20          Q     And as I understand it -- and correct me if I'm  
21                 wrong -- you never got any pushback from  
22                 Mr. Lightbody on any AML program that you were  
23                 proposing that you felt was necessary to  
24                 strengthen the regime; correct?

25          A     I never got any pushback from Mr. Lightbody, no.

1           Q     I just want to turn for a moment to the meeting  
2                   you had with Inspector Chrustie or meetings, I  
3                   guess it was, in July of 2015, when Mr. -- when  
4                   Inspector Chrustie told you that law enforcement  
5                   had for the first time found a direct link from  
6                   criminal organizations to the cash buy-ins at  
7                   River Rock, so can we focus on that for a  
8                   moment.

9           A     Yes.

10          Q     As you describe it in your evidence yesterday,  
11                 this was a pivotal moment in the organization  
12                 for Mr. Lightbody as you understood it?

13          A     Yes.

14          Q     And it was a pivotal moment for you as the  
15                 director of AML, I take it. Correct?

16          A     Oh, absolutely, yes.

17          Q     And from your observations and interaction with  
18                 Mr. Meilleur, did it appear to you that it was  
19                 also a significant concern to your GPEB  
20                 colleagues?

21          A     Yes.

22          Q     And you were asked by Mr. Desmarais, as I  
23                 understood your evidence yesterday, to provide  
24                 speaking notes for Mr. Lightbody's anticipated  
25                 meeting with the ADM, Ms. Wenezenki-Yolland?

1           A     Yes, I believe that's correct based on what I  
2                    saw yesterday.

3           MR. McFEE:   And if I could ask that those be brought  
4                    up for a moment, please, Madam Registrar.  It's  
5                    Mr. Lightbody's affidavit, which is commission  
6                    exhibit 505, and it's exhibit 35 to that  
7                    affidavit.

8           Q     Do you recall this document from yesterday?

9           A     I do.  I do, Mr. McFee, yes.

10          Q     Thank you.  Now, in the context of this pivotal  
11                   moment and the revelations from Inspector  
12                   Chrustie, I take it it was important that your  
13                   CEO and President Mr. Lightbody be armed with  
14                   accurate information for his meeting with the  
15                   ADM?

16          A     Yes.

17          Q     And not only accurate information but you wanted  
18                   to ensure that your president and CEO was armed  
19                   with up-to-date information?

20          A     Yes.

21          Q     And the answers you crafted to allow  
22                   Mr. Lightbody to respond to the anticipated  
23                   questions from the ADM were accurate and up-to-  
24                   date?

25          A     Could I ask that the document be scrolled up a





1                   law enforcement, and they have told us  
2                   that they are trying to establish the  
3                   link."

4                   Have I read that correctly?

5           A       That's correct.

6           Q       Those were your words at the time in August --  
7                   on August 30th, 2015?

8           A       That's what I believed that Mr. Lightbody wanted  
9                   to say, yes.

10          Q       Well, those were your words on August 30th,  
11                   2015?

12          A       I'm not denying that's my email. That's  
13                   correct.

14          Q       And what you set out in those points to inform  
15                   Mr. Lightbody were accurate at the time?

16          A       Yes, they were.

17          Q       And then if we go over a few pages to page -- it  
18                   actually starts at the bottom of page 177 in the  
19                   top right-hand corner. See number 4 at the  
20                   bottom -- "where does this cash come from"?

21          A       M'mm-hmm.

22          Q       And over at the top of page 178 is the answer:

23                   "No one is really sure right now, and that  
24                   is the key issue."

25                   Are you with me?

1           A     Yes.

2           Q            "No one agency has confirmed evidence that  
3                           any of the cash used by players is  
4                           directly linked to proceeds of crime. The  
5                           police suspect that some of it is, and  
6                           BCLC continued to act on the information  
7                           from police that might undermine the  
8                           integrity of gaming without of course  
9                           compromising any existing police  
10                          operation."

11                      Have I read that correctly?

12           A     That is correct.

13           Q     And that was accurate information that you were  
14                      conveying for the benefit of your CEO and  
15                      president at the time?

16           A     That was the [indiscernible] at the time, that's  
17                      correct.

18           Q     And it was accurate?

19           A     Well, it -- you know, there's two views; right?  
20                      I mean, there's my private view that I always  
21                      suspected that the cash was dirty. I mean, at  
22                      that time no one was asking the question, and it  
23                      was -- when I became the director that was  
24                      certainly the information I received from my  
25                      superior at the time, that it was -- that there

1                   was a belief that it was all legitimate  
2                   underground banking, and I had never held that  
3                   view personally. And I had many discussions  
4                   with many people at BCLC about that, but, you  
5                   know, I'm not -- so, I mean, it's written there.  
6                   I'm not disagreeing with that.

7                   Q    No, and it's written -- it's written there as  
8                   you describe it for a very important purpose,  
9                   wasn't it? To give your CEO and president  
10                  accurate information so he could properly brief  
11                  the ADM; correct?

12                 A    But Mr. Lightbody was the -- had been the VP of  
13                  casinos for some time. I mean, he was familiar  
14                  with the bags of cash coming into the casinos,  
15                  so I wrote what I believed at that time was to  
16                  serve the purpose for the [indiscernible]. I  
17                  don't think I was in a position to write I  
18                  believe this cash is dirty; we should be  
19                  refusing it. I mean, I don't think that would  
20                  have made me too popular for the organization.

21                 Q    Well, sir, we're not talking at popularity.  
22                  We're talking here about your words and what you  
23                  were telling your CEO and president at the time,  
24                  and you knew what you were telling him was for  
25                  the important purpose of being conveyed to the

1 government to the ADM; correct?

2 A Well, the document is here. I'm not going to  
3 deny that, no.

4 Q And you knew it was important that the  
5 information you conveyed was correct and  
6 accurate? You agree?

7 A Yes.

8 Q I just want to turn for a brief moment to your  
9 departure from BCLC. I know it was a difficult  
10 time for you, but just at the time of your  
11 departure you reached out to Mr. Lightbody,  
12 didn't you? Do you recall emailing him?

13 A I'm not sure what I can discuss, Mr. McFee.

14 Q No, no, we don't need to discuss the details,  
15 but do you recall reaching out to Mr. Lightbody  
16 and asking for his understanding and assistance?

17 A Yes. Yes. I was -- I always had a very good  
18 relationship with Mr. Lightbody, even to the  
19 very end, and I was at that time felt like I had  
20 let him down to some degree.

21 Q And do you recall Mr. Lightbody responding to  
22 you by email and subsequently speaking with you  
23 and telling you that whatever had happened he  
24 was concerned about you and concerned about your  
25 family?



- 1 character statements. Do you recall that?
- 2 A Yes.
- 3 Q And Mr. McGowan asked you why you didn't report  
4 this to Mr. Lightbody. Do you recall that?
- 5 A Yes.
- 6 Q And as I -- my note says your explanation was,  
7 how did I know this direction didn't come from  
8 Mr. Lightbody. Did it get that correctly?
- 9 A Yes, that's correct.
- 10 Q But as you already told the commission, you  
11 enjoyed a very good working relationship with  
12 Mr. Lightbody, didn't you?
- 13 A Yes, I did.
- 14 Q And in fact you enjoyed more than a good working  
15 relationship with Mr. Lightbody. You socialized  
16 with him on occasion such as playing golf;  
17 correct?
- 18 A Yes, I did.
- 19 Q And in fact --
- 20 A For corporate golf days, yep.
- 21 Q And in fact he invited you to and you sat at  
22 Mr. Lightbody's table when he was awarded the  
23 CEO of the year by the Canadian professional  
24 human resources association. Do you recall  
25 that?

1           A     Yes.

2           Q     Was there any impediment to you speaking to  
3                 Mr. Lightbody about this out of character  
4                 comment by Mr. Kroeker?

5           A     You know, it's hard to think back on that time,  
6                 Mr. McFee. You know, as I said, it was quite a  
7                 lot of communication over a number of years  
8                 about the money coming into the casinos, whether  
9                 it was from the regulator or whether it was from  
10                internal sources. And I think it was always in  
11                the back of my mind with any conversations with  
12                existing executives that they were aware of that  
13                and aware of the concerns, so that's probably  
14                why I had some reluctance. But, you know, and I  
15                don't mean to be unfair to Mr. Lightbody. And  
16                maybe I am in that circumstance because as I  
17                said, I didn't do a -- I always liked Jim and  
18                thought he was a solid guy.

19          Q     Okay. But to be clear, would not a way to find  
20                 out whether this direction came from  
21                 Mr. Lightbody would have been for you to ask  
22                 Mr. Lightbody directly? I mean, you had direct  
23                 communication with him.

24          A     That's a pretty awkward question to ask,  
25                 Mr. McFee, did you instruct my boss to make

1                   certain comments. I mean, I don't know. I just  
2                   didn't feel -- I don't feel comfortable asking  
3                   that question. We had a good relationship, but  
4                   I didn't feel comfortable asking that question.

5           Q       And you didn't ask the question?

6           A       I never asked that question, no.

7           Q       But you had opportunity to do so?

8           A       Yes.

9           MR. McFEE: Those are my questions for you,  
10                   Mr. Alderson. Thank you.

11           THE WITNESS: Thank you.

12           THE COMMISSIONER: Thank you, Mr. McFee.

13                   I'll now turn to Ms. Mainville on behalf of  
14                   Mr. Kroeker, who has been allocated 80 minutes.

15           MS. MAINVILLE: Thank you, Mr. Commissioner.

16           **EXAMINATION BY MS. MAINVILLE:**

17           Q       Hello, Mr. Alderson. I don't know if it's  
18                   morning or night, like for me, or daytime for  
19                   you, but good afternoon.

20           A       Yes, it's morning here, yes.

21           Q       So I take it you also had a good relationship  
22                   with Mr. Kroeker. Correct?

23           A       We had a professional relationship, yep.

24           Q       It was a good working relationship?

25           A       Good working relationship, yep, for the most



1 part.

2 Q Well, you've indicated to Mr. Skrine previously  
3 you were treated well by Mr. Kroeker?

4 A Yes.

5 Q And you never had any conflicts with him?

6 A Not that I recall, no.

7 Q And the relationship was always very  
8 professional; correct?

9 A Well, we had differences of opinion on certain  
10 things, but it was professional. I mean, I  
11 never -- I cannot recall ever a testy moment  
12 between the two of us.

13 Q And are you aware of the view held by some that  
14 he was preparing you to eventually take over his  
15 job?

16 A I was not aware of that, no.

17 Q Mr. Tottenham, for example, indicated that he  
18 had this belief given the amount of support you  
19 were given and the involvement that you had in  
20 higher level meetings involving Mr. Kroeker. Is  
21 that an accurate statement of the state of  
22 affairs in terms of support that you had and  
23 involvement?

24 A I'm sorry. Can you just repeat that question.

25 Q Sure.

1           A     Yep.

2           Q     So I'm just seeing if you agree here with  
3                 Mr. Tottenham who said that he was of the view  
4                 that you received a great amount of support from  
5                 Mr. Kroeker and that you were brought into and  
6                 involved in higher level meetings with  
7                 Mr. Kroeker?

8           A     That -- yes, I mean, he was my -- he was my  
9                 direct superior, so I was involved in numerous  
10                meetings with Mr. Kroeker.

11          Q     Okay. And he mentored you; correct?

12          A     Yes, yes. I mean, there's a mentoring program  
13                 at BCLC with check-ins and there's expectations  
14                 of fulfilling certain tasks, and Mr. Kroeker  
15                 assisted me in that.

16          Q     And his mentorship meant quite a lot to you,  
17                 didn't it?

18          A     I learned a lot from Mr. Kroeker.

19          Q     So there were two resignation letters in your  
20                 file as we've - or in your files as we've come  
21                 to understand, and I understand that the  
22                 December 2017 one is your true resignation  
23                 letter. Correct?

24          A     That's correct.

25          Q     And the October one, if we could just bring it

1 up. You drafted it, correct, but never sent it.  
2 Is that my understanding?  
3 A That's correct, it's not my resignation.  
4 Q But were the one who drafted it?  
5 A I think so. I might have done it in conjunction  
6 with my lawyer at the time, but I think I did  
7 it, yep.  
8 Q So if we could bring it up. It's exhibit 499 of  
9 the commission exhibits. So do you recognize as  
10 having written this on or around the date  
11 indicated on the letter?  
12 A Yep. Yep.  
13 Q And at the time you wrote it you meant what you  
14 said within it, I expect.  
15 A For the most part. I mean, I didn't send it  
16 because I didn't -- for a reason that I didn't  
17 believe it was -- I mean, when you're resigning  
18 from an organization, I think anyone that's  
19 resigned from an organization are hardly going  
20 to put in there, you know, anything negative. I  
21 was hoping that I could leave on good terms and  
22 that not burn any bridges, I guess, like anyone  
23 would when they resign. So there is things  
24 within that letter that probably not 100 percent  
25 true, but, you know, there are -- and that's why

1 I didn't send it in the end.

2 Q Well, you can avoid saying certain negative  
3 things. But if we go, for instance, to the  
4 fourth paragraph where you indicate:

5 "I have tried my best to continue to build  
6 the AML department and with your continued  
7 guidance it will continue to be the best  
8 in the country."

9 Was that your view at the time?

10 A Yes. I think that's fair.

11 Q And if we go down to the last paragraph, you  
12 indicate specifically in respect of Mr. Kroeker:

13 "Lastly, Rob, I would like to thank you  
14 for your mentorship during your time with  
15 BCLC. It has meant a lot."

16 A Yep.

17 Q You meant that?

18 A I meant that.

19 Q And so he did give you helpful guidance on how  
20 to build a strong AML department; is that fair?

21 A Yes. I learned many things from Rob.

22 MS. MAINVILLE: We can take this one down, thank you,  
23 Madam Registrar.

24 Q And in December 2017 when you departed, I  
25 understand that you felt you could not have

1                   asked for a better management team. You would  
2                   have written that. Is that fair at the time?

3           A       Does that -- I haven't seen the document. If  
4                   that's what I've written that's what I've  
5                   written, yes.

6           Q       Well, and let's -- do you agree with me that in  
7                   your formal resignation letter the December 27  
8                   one, you thanked Mr. Kroeker for the tremendous  
9                   support over the years and the faith that he  
10                  placed in you to lead a team of 32 amazing  
11                  individuals?

12          A       Are you able to put that letter up on the  
13                  screen, Ms. Mainville, so I can take a look at  
14                  that.

15          Q       Sure, sure. That one is BCLC -- sorry, it's  
16                  also an exhibit to Mr. Lightbody's affidavit,  
17                  which is exhibit 505. And it's exhibit 187 to  
18                  that affidavit. And so if you look at the  
19                  second to last paragraph:

20                         "I want to thank you for the tremendous  
21                         support over the years."

22                  And you'll see the letter is addressed to  
23                  Mr. Kroeker?

24          A       Yep. That's my letter.

25          Q       So you stand by those words at the time?

1           A     Yes, I do.

2           Q     And you indicated to Mr. Skrine in 2019 that you  
3                 never ran into resistance from upper management  
4                 regarding AML. Was that an accurate statement?

5           A     Well, other than obviously I made some  
6                 recommendations in 2015 that weren't  
7                 implemented. Other than that, no.

8           Q     Right. Well -- and I'll come to that  
9                 specifically, but when you spoke to Mr. Skrine  
10                it was with respect to another allegation you  
11                made with respect to Mr. Kroeker; correct? The  
12                easing up allegation?

13          A     Yes.

14          Q     Do you recall?

15          A     Yes.

16          Q     And when he asked you whether there was anything  
17                 else and whether you ever ran into resistance  
18                 from upper management regarding AML, you did not  
19                 raise this point that you raise now about  
20                 recommendations of yours not having implemented;  
21                 correct?

22          A     I don't recall. I don't recall if I raised that  
23                 during that interview with Mr. Skrine or not.

24          Q     Why don't I take you to that. It is an exhibit  
25                 to Mr. Kroeker's affidavit, which is

1 exhibit 490, exhibit 190, 1-9-0 of Mr. Kroeker's  
2 affidavit. If we go to page 21 of that report.  
3 This is the investigational log from  
4 Mr. Kroeker -- sorry, Mr. Skrine's investigation  
5 of your complaint. And if you go to page 21?

6 THE REGISTRAR: I believe this is page 21,  
7 Ms. Mainville.

8 MS. MAINVILLE: Sorry?

9 THE REGISTRAR: I believe this is page 21.

10 MS. MAINVILLE: Okay, sorry.

11 Q So the third to last bullet point that starts  
12 with "Skrine asked." Okay. Right there. If  
13 you follow with me, Mr. Alderson:

14 "Skrine asked if Alderson ever ran into  
15 resistance from upper management in his  
16 intended implementation of strategies to  
17 combat money laundering, and Alderson said  
18 no."

19 And then the one thing you referenced was in  
20 respect of Mr. Brad Desmarais; correct?

21 A Yes. Actually further up there, I think there  
22 were other comments when you were scrolling down  
23 that might be that talk about some of the  
24 former taxation -- I think that was relating to  
25 some of the discussions I've had with

1                   Mr. Kroeker. I'm sorry, Ms. Mainville. This is  
2                   the first time I've actually seen this document,  
3                   so ...

4           Q       Okay.

5           A       I can't say if it's -- I mean, that interview  
6                   was two years ago, so I'm not sure exactly what  
7                   was discussed. I'm taking your word for it that  
8                   this is an accurate and fulsome review of that  
9                   interview, but --

10          Q       Well, let's go to page -- sorry.

11          A       I don't have a copy of it. I don't have a copy  
12                   of it myself, so I don't know if that's what I  
13                   said or didn't say.

14          MS. MAINVILLE: Can we go, Madam Registrar, to  
15                   page 26. Again, the third to last bullet point  
16                   where Mr. Skrine you see it says:

17                                "Asked if Alderson had any other  
18                                interactions with BCLC management that  
19                                gave him pause or left him with the  
20                                impression he should turn a blind eye."

21                   And you would have responded no. Do you recall  
22                   that?

23          A       Yep, that's what it says.

24          Q       Does that align with your recollection of your  
25                   interview with Mr. Skrine?



1           A     To be honest, I don't really ...

2           Q     I'm sorry?

3           A     I don't really recall too much of that  
4                   interview, but that's probably what was said.  
5                   Yeah, I don't have copies. As I've said, this  
6                   is the first time I've seen this in two and a  
7                   half years, so -- yep.

8           Q     It's a lengthy report, so I don't propose to go  
9                   through the entire thing. But if nowhere in  
10                  there there is a reference to your suggestion  
11                  that Mr. Kroeker did not implement some of your  
12                  AML recommendations, is it fair to say it's  
13                  possible you didn't raise that at the time you  
14                  made this other complaint?

15          A     That I raised it with Mr. Skrine?

16          Q     Yes.

17          A     It's possible I didn't mention it in the  
18                  meeting, no, but, I mean, the documents are  
19                  there now for all to see, 2015, so I don't think  
20                  there's any doubt that I wrote those documents  
21                  at the time. And I believe Mr. Kroeker himself  
22                  had said we had a meeting about it.

23          Q     Yes. Absolutely. And I'll get into the detail  
24                  of that for sure with you.

25          MS. MAINVILLE: We can take this down now, Madam

1 Registrar.

2 Q Is it fair to say that Mr. Kroeker after he  
3 began at BCLC tried to encourage a good working  
4 relationship with GPEB?

5 A No, I wouldn't agree with that. I think when he  
6 first came to BCLC it was quite a toxic  
7 relationship and the initial meetings with GPEB  
8 were -- that I had, it was left to Kevin Sweeney  
9 and myself to have those meetings because Rob  
10 was butting heads quite a lot in the early  
11 stages and it took some time before that  
12 relationship actually strengthened and I think  
13 Rob was very -- certainly took BCLC's view and  
14 did butt heads with some of the management at  
15 GPEB.

16 Q Sorry, and could we bring up BCLC15599, please.  
17 This is an email communication. If we go down  
18 to the bottom of the first page. Well,  
19 actually, let's go to the second page first.  
20 You'll see it begins with an email from  
21 Mr. Meilleur to Mr. Kroeker copying others. And  
22 it's asking for BCLC's comments on a Privacy  
23 Impact Assessment. Okay?

24 A Okay, from November 1st, 2016, that's the email  
25 referring to?

1           Q     Yes.  And then if we go up to Mr. Kroeker's  
2                    response, he forwards this email to Mr. Sweeney,  
3                    copying yourself.  Do you see that?

4           A     Yes.

5           Q     You see there that he says "GPEB," where it  
6                    starts third line:

7                    "GPEB has offered this up and proactively  
8                    sought our input, which is a good step in  
9                    terms of our relationship.  I would ask  
10                   that we give GPEB a high degree of respect  
11                   and latitude on this by commenting only on  
12                   things that we see as critical as opposed  
13                   to preference from our end.  I would also  
14                   add that any comments we do provide are  
15                   stated as diplomatically as possible.  Of  
16                   course if there is nothing critical there  
17                   is to nothing wrong with sending the  
18                   document back saying we don't see any  
19                   critical issues."

20                   So do you agree that at least in this instance  
21                   Mr. Kroeker wanted to ensure that GPEB and BCLC  
22                   could work together and were respectful of one  
23                   another?

24           A     Absolutely.  But I think you have to look at the  
25                   time frame there, Ms. Mainville.  That's over a

1                   year after Mr. Kroeker was in that position.  
2                   What I'm -- what I was commenting on before was  
3                   initially when Mr. Kroeker was in the role that  
4                   wasn't their relationship at the time.  
5                   Mr. Kroeker had quite a good relationship early  
6                   on.

7                   Q    Okay.  But do you agree with me that over time  
8                   he made efforts with GPEB to have a good  
9                   relationship?

10                  A    Absolutely, yes.  He fostered a good  
11                  relationship.  And I think he had a good  
12                  relationship with a number of people there.

13                  MS. MAINVILLE:  Okay.  We can take this -- if we  
14                  could file this as an exhibit.  I don't think  
15                  it's an exhibit yet, Mr. Commissioner.

16                  THE COMMISSIONER:  Very well.  That will be the next  
17                  exhibit.

18                  THE REGISTRAR:  That's exhibit 1030, Mr. Commissioner.

19                  THE COMMISSIONER:  Thank you.

20                               **EXHIBIT 1030:  Email from Kevin Sweeney re For**  
21                               **Comment, GPEB PIA - November 7**

22                  MS. MAINVILLE:

23                  Q    Now, I want to take you to your September 8th,  
24                  2015 memo that you've referenced where you made  
25                  recommendations.

1 MS. MAINVILLE: This is, Madam Registrar, exhibit 18  
2 to Mr. Kroeker's affidavit.

3 Q And you've talked about your recommendation to  
4 ask patrons for source of funds at an agreed  
5 upon threshold that you suggested could be  
6 \$20,000; correct?

7 A I'm just waiting for the document to come up,  
8 Ms. Mainville.

9 MS. MAINVILLE: It's exhibit 18 at pages 6 and 7,  
10 Madam Registrar.

11 THE WITNESS: Okay. I can see -- the bottom of my  
12 screen I see "recommendations," but I don't see  
13 the recommendations.

14 MS. MAINVILLE:

15 Q Right. If we go down. So the first one there  
16 that Mr. McGowan took you to yesterday?

17 A Yes.

18 Q Okay. Regarding source of funds?

19 A Yes.

20 Q Now, you earlier -- and I previously -- I think  
21 in your interview with commission counsel had  
22 mentioned having recommended a cash cap that was  
23 never -- in 2015 that was never implemented, and  
24 I take it you refreshed your memory and the  
25 recommendation you made was not a cash cap but

1                   the source of fund recommendation. Correct?

2           A       Correct.

3           Q       And what you were recommending there is that  
4                   service providers would ask patrons about the  
5                   source of their funds and document their  
6                   response; correct?

7           A       Yes. It was my belief that most of this -- the  
8                   funds coming in was probably tainted and as it  
9                   came through from our interviews with patrons  
10                  that I don't think from any of those interviews  
11                  any of the patrons actually could provide a  
12                  legitimate source for their funds. So  
13                  essentially what I'm asking is a soft way of  
14                  saying is a cash cap. By documenting it, it  
15                  would make it fairly obvious to all, in  
16                  particular bringing the service providers into  
17                  the loop, that when they document their source  
18                  of funds that they would -- it was highly likely  
19                  they wouldn't be able to provide a legitimate  
20                  source.

21          Q       Right. But nowhere -- sorry, but the  
22                  recommendation you've set out there is about  
23                  asking for source of -- about source of funds;  
24                  right?

25          A       Yes. And I've just explained why, yeah. That

1                   was the intent. That was the intent of that  
2                   recommendation.

3           Q       Okay. Nowhere in here -- am I right -- does it  
4                   suggest that the cash would be refused or turned  
5                   away; correct?

6           A       No, but based on a source of funds. So it's  
7                   evidence based; right? It's the same as the  
8                   cash conditions. It's not called a cash ban;  
9                   right? But at the end of the day every single  
10                  player that was -- in my tenure anyway that I  
11                  recall, I don't think any single one of them was  
12                  allowed to use cash after they were interviewed  
13                  because they couldn't provide a legitimate  
14                  source for their funds. And that was the point  
15                  of this, but having that more widespread, you're  
16                  talking about everybody across the board that  
17                  that would be implemented rather than just sort  
18                  of targeting certain individuals based on large  
19                  cash buy-ins.

20          Q       Right.

21          A       That was the intent of that.

22          Q       And that's what happened. And I'll take you to  
23                   that. But --

24          A       Eventually, yes.

25          Q       Right. But to be clear, here all you said is

- 1                   that the service provider should ask players  
2                   about the source of funds and document that. Is  
3                   that fair? That's all that's indicated?
- 4           A       Yes. But the whole point is, I mean, there's no  
5                   point just having a document. The document is  
6                   the evidence; right? That's where I'm going  
7                   with that. And I'm not going to --
- 8           Q       Well --
- 9           A       I try to keep the recommendations succinct, but  
10                   as Mr. Kroeker himself has stated, we spoke  
11                   about this at length apparently, so that would  
12                   have been part of that conversation. That was  
13                   always my belief.
- 14          Q       So -- and just to be clear, when it says  
15                   "document" there you mean documenting the  
16                   response. You were not suggesting at this point  
17                   in time a receipt which came later --
- 18          A       Documented their response, yeah.
- 19          Q       Yes.
- 20          A       Yeah.
- 21          Q       And --
- 22          A       Putting the onus back on the player to prove the  
23                   money was legitimate. That's the intent of  
24                   that, yeah.
- 25          Q       Right. But if you -- and then if we go to the



1                   second bullet point when it talks about banning  
2                   players, you wrote:

3                   "Banning players from using unsourced cash  
4                   that have confirmed links to criminality."

5                   Correct.

6                   Q    So my understanding of that recommendation is  
7                   that players would be banned from unsourced  
8                   cash, from using unsourced cash, where there was  
9                   a confirmed linked the criminality. Is that  
10                  fair?

11                  A    That's correct.

12                  Q    And up until that point, I think it's what  
13                  you've just mentioned, but you were cash  
14                  conditioning and banning players on an ad hoc  
15                  basis targeting primarily I think at the start  
16                  the wealthiest players or the --

17                  A    No -- no -- well, yes and no. The first players  
18                  that we banned were -- had direct links to the  
19                  E-Pirate investigation. I had -- after the  
20                  meeting with Cal Chrustie and in discussions  
21                  with Mr. Desmarais and Mr. Lightbody, we -- I  
22                  asked one of the analysts to go back and find  
23                  any player that had -- we could link to that  
24                  individual. And it was a very onerous process  
25                  because it was going through the iTrak system

1                   and I believe Mr. Rudnicki had to write a  
2                   script. And at that stage we could only go back  
3                   about six months because there was some urgency,  
4                   and that was the initial 10 players that were  
5                   placed on conditions. That was -- as we got  
6                   more information from the police at the time, I  
7                   was talking to the police, and they were giving  
8                   some additional individuals and from our only  
9                   analysis which was increasing we added to that  
10                  list. From there we started targeting more and  
11                  more based on circumstances rather than that  
12                  direct link to E-Pirate.

13                Q    And if I understand your evidence just prior to  
14                    this, you -- your expectation with this -- the  
15                    first recommendation here was that investigators  
16                    would impose cash conditions or ban patrons when  
17                    the source of fund that they reported was not  
18                    satisfactory. Is that your evidence?

19                A    Yes. And in part that did come in in the next  
20                    couple of years because we'd started to ask the  
21                    source of funds for students and housewives.  
22                    That was a project that was done. But -- so  
23                    they were specifically looked at for source of  
24                    funds. And in other circumstances that the AML  
25                    team believed warranted suspicion. And it could

1           have been, you know, we vetted more information  
2           on an individual and perhaps their level of play  
3           did not equate to their occupation or something  
4           like that. Again, it was more targeted  
5           investigations. I liken it to drinking from a  
6           fire hose. There was so many players coming  
7           into the casinos and so much cash coming in that  
8           was being targeted. My recommendation was  
9           across the board [indiscernible].

10           Q    And yet at that time, at the time you made this  
11           recommendation, you had directed in May 2015  
12           that investigators were not to ban players or  
13           refuse transactions without first elevating that  
14           to yourself or management. Do you recall that?

15           A    No. That's -- I think that's a very simplistic  
16           view of that. At the time I was brand new in  
17           the role, and my discussions with Brad Desmarais  
18           at the time were they had had pushback, I  
19           believe, from the service provider regarding one  
20           player, mainly because of the way it was done,  
21           and so they were discussing -- but I had the  
22           opportunity to review my notes of that time, and  
23           there was multiple discussions with multiple  
24           persons about that, that if it was a -- I think  
25           the player involved was a major significant

1           player in British Columbia at that time, and  
2           that Brad wanted to be kept in the loop so he  
3           could have those discussions with the service  
4           provider. Because they would obviously --  
5           they're impacted significantly if they lose one  
6           of their major customers.

7                    I'd also add, Ms. Mainville, I didn't have  
8           authority over investigators at that time. I  
9           had five staff. So I had no ability to direct  
10          any of the investigators. It would have to be  
11          done in consultation with multiple stakeholders.

12          Q        Do you recall that Mr. Kroeker lifted that or  
13                    rescinded that later in the fall of 2015 when he  
14                    learned about it in that effectively he told  
15                    investigators or gave the authority to  
16                    investigators to cash condition or ban players  
17                    without elevating it --

18          A        There was nothing rescinded, Ms. Mainville.  
19                    There was no direction. You're talking about a  
20                    one-off player that was -- and there was an  
21                    email. And I know which email you're referring  
22                    to.

23          Q        Okay. Let's bring it up. BCLC4192.

24          MR. MCGOWAN: I wonder, Mr. Commissioner, if my  
25                    friend could just indicate when she asks for

1 exhibits to be displayed for the witness if it's  
2 okay to livestream them.

3 MS. MAINVILLE: Oh, my apologies, yes.

4 MR. MCGOWAN: I see that this one has email  
5 addresses, so perhaps that's not appropriate.

6 MS. MAINVILLE: Right, right. My apologies. So it  
7 should not be on the livestream. Thank you.

8 THE COMMISSIONER: All right. I'll make that  
9 direction, then. Thank you, Mr. McGowan.

10 MS. MAINVILLE:

11 Q So you'll see May 14th, 2015. And you've  
12 indicated -- second paragraph:

13 "I have no concerns about requesting  
14 further employment clarification and  
15 noting it on a player's iTrak profile nor  
16 having the investigations management and  
17 AML specialist jointly discussing whether  
18 a player should be interviewed so  
19 investigators can then be provided with  
20 that instruction. However, in the absence  
21 of any written escalation procedures right  
22 now, before we contemplate suspending,  
23 barring or putting conditions on any of  
24 the VVIP players which may impact revenue  
25 similar to Gao, please bring Kevin and

1                   myself into the loop in the form of  
2                   arranging a teleconference or preferably a  
3                   joint meeting so we can get an overall  
4                   picture."

5                   Does that refresh your memory?

6           A       Yes. That's the email I was referring to, yes.

7           Q       And you agree with me it doesn't apply to a  
8                   single player but all VVIP players?

9           A       At that time, yes. I agree.

10          Q       Okay. And do you recall that that later changed  
11                   and that stopped being the procedure to follow?

12          A       There was a -- there was I think in -- after the  
13                   first 10 individuals went out to interview,  
14                   there was an interview protocol document that  
15                   was established that was before Mr. Kroeker  
16                   joined BCLC. So those -- those first  
17                   10 individuals were interviewed prior to  
18                   Mr. Kroeker joining BCLC.

19          Q       Right.

20          A       Because I referenced that in my document to him  
21                   on September 8th.

22          Q       Right.

23          A       So that -- by that -- that's not true that  
24                   Mr. Kroeker rescinded that. That program was  
25                   already underway before he came on board.

1           Q     And I'll take you to these two protocols, but  
2                   yours that predated this was in April 2015 and  
3                   then there was another one in October 2015 after  
4                   Mr. Kroeker had joined. I'll take you to these.  
5                   But we can take this down. Thank you.

6           THE COMMISSIONER: Ms. Mainville, I'm just going to  
7                   ask you whether this is an appropriate time to  
8                   break or if you would like to conclude at  
9                   another point.

10          MS. MAINVILLE: I would prefer in a little while  
11                   longer, Mr. Commissioner. But I'm in your hands  
12                   if you would like to break now. That's fine.

13          THE COMMISSIONER: No, that's fine. You carry on.  
14                   But sometime in the next little while we'll take  
15                   a brief adjournment.

16          MS. MAINVILLE: Certainly.

17          Q     So, Mr. Alderson, well, let me say this: in  
18                   fact what happened when you presented these  
19                   recommendations to Mr. Kroeker on his very first  
20                   day at BCLC in September 2015 was that he told  
21                   you that we needed -- you both needed to go  
22                   further and that there should be no threshold on  
23                   the source of funds inquiries and that all  
24                   suspicious cash needed to be probed; correct?

25          A     I don't recall that, no. Do you have a

1 document?

2 Q Yes. Just to refresh your memory, he wanted  
3 source of funds to be implemented on any player  
4 and transaction when there was a concern. And  
5 I'll take you to the protocol that followed  
6 that, and that was exhibit 27 to Mr. Kroeker's  
7 affidavit.

8 MS. MAINVILLE: Madam Registrar, if we could bring  
9 that up.

10 Q Do you recall this protocol which is dated  
11 October 2015?

12 A Sorry, I don't see a date.

13 MS. MAINVILLE: If we can go to the last page, Madam  
14 Registrar, for the date, which is page 3. There  
15 you go.

16 Q October 14th you signed it and then just below,  
17 if we could go a bit lower? Mr. Kroeker signs  
18 it October 21st?

19 A He's approved it, yes.

20 Q Approved it, yep. So do you recall this  
21 protocol?

22 A Yes.

23 Q And if we go back up to the first page -- well,  
24 actually, let's stay there, please. You'll  
25 see -- so this comes in October 2015, not too



1 long after your meeting with Mr. Kroeker. And  
2 it says there:

3 "Additional suspicious indicators  
4 warranting conditions and/or interview."

5 Okay. And the very first bullet point there  
6 says:

7 "Patron buys in predominantly in cash,  
8 particularly using small bills."

9 See that?

10 A M'mm-hmm.

11 Q And another one at number 4:

12 "A patron receives cash deliveries or cash  
13 exchanges."

14 Do you see the fourth bullet point there?

15 A I do, yeah.

16 Q Okay. And the last one, the last bullet point:

17 "BCLC receives information from an outside  
18 agency, including law enforcement,  
19 pertaining to suspicious behaviour  
20 involving the patron."

21 Okay? Do you see that?

22 A Yep, I see that.

23 Q And then it says:

24 "In these circumstances interviews will be  
25 conducted by BCLC investigators."

- 1           A     M'mm-hmm.
- 2           Q     Okay.
- 3           A     Yes.
- 4           Q     So do you agree with me, then, that in all cases  
5                 where a patron buys in predominantly in cash,  
6                 particularly using small bills, an interview  
7                 will be conducted of that patron?
- 8           A     That was the request, yes.
- 9           Q     Well, it's the protocol. This is being --
- 10          A     The protocol, yep.
- 11          Q     -- which is being sent to service provider;  
12                 correct?
- 13          A     That is correct.
- 14          Q     And these interviews probed the source of funds;  
15                 correct?
- 16          A     They did.
- 17          Q     Right. And so do you recall agree with me that  
18                 this protocol says that patrons buying in  
19                 predominantly in cash will be interviewed about  
20                 their source of funds and there is no threshold  
21                 imposed. When it is suspicious they will be  
22                 interviewed on their source of funds?
- 23          A     That is correct. That is what the request is  
24                 for, yes.
- 25          Q     And so do you agree with me that this goes





1 correct?

2 A Correct.

3 Q And so, again, I'm going to suggest that this  
4 transpired because what happened when you  
5 presented your recommendations to Mr. Kroeker  
6 was that he said a stronger response was  
7 required; fair?

8 A I don't -- he may have said it, Ms. Mainville,  
9 but as I said, you're asking me a question about  
10 a meeting that I have no notes on, no  
11 recollection of, a meeting that happened five  
12 years ago, so I don't know what Mr. Kroeker said  
13 in that meeting. I can't recall. I mean, and  
14 then -- so I mean, there are documents where he  
15 states he hasn't seen this --

16 Q Well --

17 A So --

18 Q I'll take you to that because I think that's  
19 incorrect. But --

20 A Well, all I'm saying is I cannot be certain what  
21 Mr. Kroeker said or didn't say at that time from  
22 that meeting. I know that we met and discussed  
23 that document. That's all I can say.

24 Q And --

25 A Certainly this document you're referring to is

1                   dated after that meeting.

2                   Q    And it would make sense that your direction,  
3                   your letter to service providers here in  
4                   September -- on September 11th, 2015, and then  
5                   the protocol issued in October 2015 do not  
6                   contain your exact language as you set out in  
7                   your September 8th, 2015 memo, presumably  
8                   because something intervened such as your  
9                   meeting with Mr. Kroeker?

10                  A    Certainly the language is different in the two  
11                  documents. I agree with that.

12                  Q    Okay.

13                  MR. MCGOWAN: Mr. Commissioner, I'm just going to  
14                  interject for a couple of reasons. One to just  
15                  ask my friend to be cognizant to let the witness  
16                  finish his answer. I know she's not  
17                  intentionally cutting him off, but there is a  
18                  bit of overtalking. And I also note we've been  
19                  going approximately 90 minutes, the witness is  
20                  giving evidence, and I wonder if maybe we've  
21                  reached a stage where a short break is  
22                  warranted.

23                  MS. MAINVILLE: Yes. I was actually going to say we  
24                  can take the break now. Thank you. And I'll be  
25                  more cautious about speaking over Mr. Alderson.

1 Thank you.

2 THE COMMISSIONER: All right. Thank you. We'll take  
3 a 10-minute break.

4 THE REGISTRAR: This hearing is adjourned for a  
5 10-minute recess until 4:37 p.m.

6 **(WITNESS STOOD DOWN)**

7 **(PROCEEDINGS ADJOURNED AT 4:27 P.M.)**

8 **(PROCEEDINGS RECONVENED AT 4:37 P.M.)**

9 **ROSS ALDERSON, a witness**  
10 **for the commission,**  
11 **recalled.**

12 THE REGISTRAR: Thank you for waiting. The hearing  
13 is resumed, Mr. Commissioner.

14 THE COMMISSIONER: Thank you, Madam Registrar.

15 Yes, Ms. Mainville. I think you are muted,  
16 Ms. Mainville.

17 MS. MAINVILLE: Thank you. I only need to clarify.  
18 I put to Mr. Alderson BCLC4192, and I've been  
19 asked if I wanted to make it an exhibit, but  
20 I'll simply indicate for the record it's already  
21 filed as exhibit 130 in the commission exhibits,  
22 and so I think that's sufficient.

23 THE COMMISSIONER: Thank you.

24 THE WITNESS: Ms. Mainville, I'd just like to clarify  
25 something from earlier if I could.

1                   **EXAMINATION BY MS. MAINVILLE (continuing):**

2                   Q     Go ahead.

3                   A     Regarding the wording of the document for the  
4                             record. You asked me a question regarding the  
5                             language where it was made and someone from  
6                             criminality and "will ban" was in the later  
7                             document, and I just wanted to clarify, not to  
8                             cast any aspersions on anyone in BCLC from that  
9                             period of time. My recollection is with the --  
10                            of course we were going to ban anybody linked to  
11                            criminality. I think the way that the verbiage  
12                            at that time was because of the E-Pirate  
13                            investigation that we didn't want to necessarily  
14                            identify individuals directly linked to that  
15                            investigation. I believe that was why the  
16                            verbiage was "will" -- sorry, "may." That we  
17                            were tipping off any of the service providers --  
18                            some of them had good relationships with some of  
19                            these players that they were directly linked to  
20                            E-Pirate. So that was to my recollection. I  
21                            just wanted to put that on the record.

22                   Q     Thank you. I'd like to bring up BCLC290,  
23                             please. And, Mr. Alderson, I just want you to  
24                             identify this as the protocol that proceeded the  
25                             one I've put to you. This one being dated



1 April 16th, 2016 -- sorry, 2015.

2 A Yes.

3 Q Called "BCLC Investigations Protocol for  
4 Educating Warning, Sanctioning Or Barring  
5 Patrons"; correct?

6 A Correct.

7 Q And if we just turn to page 2 of that document,  
8 and this is a protocol you implemented; correct?  
9 Or initiated?

10 A No. I actually didn't become a director until  
11 the following day. But I was aware of this  
12 document, yes.

13 Q Got it. Sorry, page 2. Yes. And the protocol  
14 at that time was when -- you see there. When  
15 the behaviour activity or conduct of a patron --  
16 if we take the second bullet:

17 "Is considered unacceptable or suspicious  
18 in nature or --"

19 Third bullet:

20 "-- is inconsistent with any anti-money  
21 laundering strategies and a decision is  
22 made to escalate action to be taken to  
23 correct the behaviour activity or conduct,  
24 a BCLC investigator will make a verbal  
25 notification to the service provider."

1 Do you see that?

2 A I see that, yes.

3 Q And so when something was considered suspicious,  
4 there had to be a decision made to escalate;  
5 right?

6 A Yes.

7 Q And then -- so it wasn't automatic?

8 A Not -- that's correct, yes.

9 Q And then if we go to the next page in terms of  
10 the courses of actions that could be taken,  
11 aside from educating or warning the patron, if  
12 we go to point 6, the BCLC sanctions, it  
13 indicates here:

14 "BCLC sanctions that could possibly be  
15 imposed."

16 And then you have here:

17 "Not permitted for instance to play with  
18 unsourced funds."

19 Do you see that?

20 A Yes.

21 Q So at that time it was discretionary about what  
22 type of sanction might be imposed depending on  
23 the circumstances; correct?

24 A That was the -- that was the scene at the time,  
25 that's for sure, yeah. That was the

1 [indiscernible].

2 MS. MAINVILLE: If we could file this, please, as the  
3 next exhibit.

4 THE COMMISSIONER: Yes, very well.

5 THE REGISTRAR: That's 1031, Mr. Commissioner.

6 THE COMMISSIONER: Thank you, Madam Registrar.

7 **EXHIBIT 1031: BCLC Investigations Protocol for**  
8 **Educating, Warning, Sanctioning or Barring**  
9 **Patrons - April 16, 2015**

10 MS. MAINVILLE:

11 Q And you agree with me, then, that in October  
12 2015 this protocol is enhanced and becomes more  
13 stringent; correct?

14 A Yes, I agree with that completely.

15 Q After Mr. Kroeker's arrival in September 2015 as  
16 Vice President?

17 A Yes.

18 Q And you've indicated that -- we can take this  
19 down, thank you -- that you believe there's a  
20 document where Mr. Kroeker denies knowledge  
21 of your -- or a portion of your September 2015  
22 memo?

23 A There's an email chain I located in there, a FOI  
24 request. I believe it's 2024 FOI. He seems to  
25 indicate that, as Mr. Desmarais.



1                   would make it via FOI, are either of you  
2                   aware of where this could come from?"

3                   And she's referencing a document, I believe  
4                   perhaps your memo referencing Mr. Cooper's  
5                   article; correct?

6                   A     Yes.  It appears to be.

7                   Q     And so she's asking:

8                                 "Are either of you aware of where this  
9                                 document could have come from?"

10                   And you'll see Mr. Desmarais responds right up  
11                   above her email.  If we could move up a little  
12                   bit, please.  He says:

13                                 "I think it's new information to me as  
14                                 well.  I can't conceive we would release  
15                                 something like that."

16                   See that?

17                   A     Yes.

18                   Q     And Mr. Kroeker responds "same."  Right?

19                   A     Correct.

20                   Q     Now, what Ms. Piva-Babcock was asking is where  
21                   Mr. Cooper would have gotten this document, and  
22                   I'm going to suggest that the answer -- the  
23                   response relates to whether Mr. Desmarais or  
24                   Mr. Kroeker are aware of how this could have  
25                   been released, and it's the first day here of

1                   how this could be released via a FOI request.

2                   Is that fair?

3           A       No, that's your interpretation.  I've got a  
4                   different -- my interpretation is not the same  
5                   of that, no.

6           Q       Okay.  So --

7           A       I -- I interpret it a bit differently,  
8                   Ms. Mainville.

9           Q       Okay.  But you agree there's an  
10                   interpretation -- there's -- it is possible to  
11                   interpret this email as them responding to  
12                   whether they know where Mr. Cooper got the  
13                   document, not whether they are familiar with the  
14                   content of the document?

15          A       Well, you and I definitely see it differently,  
16                   so I would agree it's open to interpretation.

17          Q       Okay.  But you agree with me that your memo was  
18                   presented to Mr. Kroeker on September 8th, 2015,  
19                   on his first day of BCLC?

20          A       That -- I can guarantee the date of that memo.  
21                   I don't know if that was the first day or the  
22                   second day when the meeting took place.

23          Q       But you recall you did go over the memo together  
24                   in great detail?

25          A       I recall having a meeting with Mr. Kroeker.  I

1                   don't recall going over it in detail. It may  
2                   well have happened. I don't have notes relating  
3                   to that. I don't want to second-guess.

4           MS. MAINVILLE: Okay. Could we please file this as  
5                   the next exhibit. And I apologize. I omitted  
6                   to flag whether it could be broadcasted on the  
7                   livestream. I'll try to be a bit more cognizant  
8                   of that.

9           THE COMMISSIONER: All right. This will be the next  
10                   exhibit.

11           THE REGISTRAR: 1032, Mr. Commissioner.

12           THE COMMISSIONER: Thank you.

13                   **EXHIBIT 1032: BCLC letter re Request for**  
14                   **Records: BCLC File 20-024 - June 1, 2020**

15           MS. MAINVILLE:

16           Q     Now, Mr. Alderson, I want to take you to the  
17                   complaint you made to GPEB in respect of  
18                   Mr. Kroeker.

19           MS. MAINVILLE: Could we take this down, please.

20           Q     Now, when you first made the allegation, it was  
21                   about easing up on cash conditions. That would  
22                   have been the comment Mr. Kroeker made. Do you  
23                   recall that?

24           A     Yes.

25           Q     But yesterday you testified you did not know

1                   which AML initiative Mr. Kroeker was  
2                   referencing?

3           A       Which exact one? No, I -- well, the cash  
4                   condition -- I'm not referencing the -- the cash  
5                   conditions is a broad -- broad -- I mean, there  
6                   were smaller projects within that, so I'm  
7                   referencing a meeting is what I'm referencing,  
8                   yeah.

9           Q       Right. But when Mr. McGowan -- well, first of  
10                   all you said Mr. Kroeker's comment was that it  
11                   would be okay if we let things slide for a bit  
12                   or delayed some of the initiatives and when  
13                   Mr. McGowan asked you which initiatives, you  
14                   said you did not know. And you did not  
15                   reference cash conditions. Do you recall that?

16          A       Yep.

17          Q       Now, you've indicated that this incident would  
18                   have occurred at a BCLC AML meeting in 2017;  
19                   right?

20          A       It did, yes. It did.

21          Q       In you thought the spring, and most likely in  
22                   April?

23          A       I can't be certain. I was asked for an  
24                   approximate time and that's -- I was trying to  
25                   assist Mr. Skrine and try to narrow it down.



1                   But I cannot be certain 100 percent.

2           Q       Okay. But that has been your best --

3           A       That was my best guess. That was my best guess,  
4                   yes.

5           Q       And yet you've suggested that it happened before  
6                   Chinese New Year potentially?

7           A       No, I never said that. That was one of the  
8                   things that -- it was a possibility around that  
9                   time. Again, I was trying to help Mr. Skrine  
10                  narrow it down. That was -- to the best of my  
11                  recollection it could have been an event. I  
12                  don't know -- Mr. Skrine actually suggested  
13                  Chinese New Year, but that was certainly part of  
14                  the conversation. It could have been related to  
15                  that, but it was related to, I believe, an event  
16                  that was occurring at River Rock which was going  
17                  to bring in a significant amount of players.

18          Q       Could we bring up Mr. Skrine's investigation  
19                  log, which is exhibit 190 to Mr. Kroeker's  
20                  affidavit. And it will be page 65 of that  
21                  document. And you see there "Alderson  
22                  corroborated." Do you see that paragraph?

23          A       Yes, I do.

24          Q       So you see the small i, he added that:

25                                "He felt the conversation occurred around

1                    Chinese New Year in 2017 during a regular  
2                    STR meeting."

3            A        Yes. And as I said, that was part of the  
4                    conversation. I mean, you're taking it a little  
5                    bit out of context, to be fair, but that was  
6                    part of the discussion around there. It could  
7                    have been that time, yes. I'm not denying that.

8            Q        And typically Chinese New Year is at the end of  
9                    January or the beginning of February?

10           A        I'm not sure.

11           Q        Okay. Am I right that the only notebook of  
12                    yours that is missing from those that would have  
13                    contained notes of these AML meetings is from  
14                    April 2017 onwards?

15           A        I believe that's the case, yes.

16           Q        And you know that minutes are kept of all of  
17                    these meetings; correct?

18           A        Generally, yes.

19           Q        And --

20           A        I'm not sure if they are for those ones, but I'm  
21                    not -- it's likely, yes.

22           Q        If I suggest to you that based on those minutes  
23                    there were no AML meetings in April 2017 --

24           A        As I said, Ms. Mainville, I cannot be certain it  
25                    was that time. Chinese New Year, I believe it

1                   happened in 2017 around that time. I cannot be  
2                   100 percent certain, and so, you know, I'm not  
3                   going to die on the hill on the Chinese New  
4                   Year. That was a discussion I had with  
5                   Mr. Skrine that it could have been related to  
6                   that. I cannot be certain. It was one of the  
7                   reasons I was so reluctant to come forward.

8           Q        If it was before April 2017, it would be -- you  
9                   would have notes of it in one of your notebooks,  
10                  correct? That's been your evidence?

11          A        Well, I may or may not have notes. I don't  
12                  know. I don't know if I took notes.

13          Q        Well, I'm going to suggest you indicated that  
14                  you would have taken notes.

15          A        I -- I never said I took notes. I don't know if  
16                  I had notes or not.

17          Q        Okay. So if we go to page 30 of this log. You  
18                  see here about in the middle:

19                                "Skrine asked Alderson what he wrote in  
20                                his notes after the meeting in question  
21                                with Kroeker. Alderson advised he would  
22                                have wrote down what he said."

23          A        I see that.

24          Q        And if we go also to page 51 of this document.  
25                  About mid-way through it says:

1                    "Skrine again advised there was nothing  
2                    independent that was identified to support  
3                    his claim, including his notes. Alderson  
4                    again maintained that he had made notes in  
5                    his day book."

6                    Do you see that? Do you recall --

7                    A    I do see that. Yeah, I do see that.

8                    Q    So you recall telling, being adamant with  
9                    Mr. Skrine that it would be reflected in your  
10                   notes?

11                  A    I -- as I said, I don't know if I took notes or  
12                  not. I believe I would have taken notes because  
13                  we discussed taking notes at the end of that.

14                  Q    And you know that Mr. Skrine did not find any  
15                  reference in the notebooks he had; correct?

16                  A    Yes.

17                  Q    And you know that Ms. Bamra and Mr. Tottenham  
18                  similarly did not locate any notes of this  
19                  comment; correct?

20                  A    Right. That's my understanding Mr. Skrine told  
21                  me, yes.

22                  Q    Even though you've indicated they were also  
23                  shocked to hear this and voiced their concerns  
24                  to you immediately after the meeting?

25                  A    They did, yes.

1 Q And that you advised them to take detailed  
2 notes?

3 A I told them to take notes. That was my  
4 recollection.

5 Q And you also said to Mr. Skrine that you sent a  
6 message to Kevin Sweeney the same day and told  
7 him what happened; right?

8 A I believe I had, yes.

9 Q And --

10 A I certainly discussed it with Kevin Sweeney.

11 Q And you know that Mr. Sweeney also denied ever  
12 hearing of this allegation?

13 A I'm aware of that, yep.

14 Q Am I right that you told Sam Cooper that you had  
15 made the anonymous complaint to GPEB?

16 A I did. Yes.

17 Q And you told Mr. Skrine that you received a copy  
18 of that original complaint from the Mr. Cooper.  
19 Do you recall that?

20 A That's right. I wasn't forthcoming with  
21 Mr. Skrine in that I didn't want to tell him I  
22 was the anonymous complaint at that time.

23 Q Right. And in fact you never told Mr. Skrine  
24 that you were the anonymous complainant;  
25 correct?

1           A     That's correct.

2           Q     He believed -- well, let's go to page 6 -- are  
3                 we at page 65 of this document? You see there:

4                     "Alderson corroborated the information  
5                     provided by the anonymous complainant."

6           A     Yes.

7           Q     So Mr. Skrine always believed that you were  
8                 corroborating this information, but in fact it  
9                 was you corroborating yourself; correct?

10          A     It was my information, yes. I was the  
11                 complainant.

12          Q     You were the complainant, right. And you never  
13                 disclosed that to Mr. Skrine?

14          A     I did not disclose that to Mr. Skrine. My hope  
15                 was that he would speak to Ms. Bamra and  
16                 Mr. Tottenham first.

17          Q     And you told Mr. Skrine that you did not know  
18                 where your notebooks were, that BCLC had all of  
19                 them; correct?

20          A     I don't -- is that in the notes?

21          Q     Yes. I can bring you to page 11. You'll see  
22                 the last bullet point:

23                     "Alderson advised that all of his  
24                     notebooks had been retained by BCLC and  
25                     wasn't sure if they still had them."

1 Do you see that?

2 A Yes, I see that.

3 Q Do you recall advising Mr. Skrine of that?

4 A I don't recall that, no.

5 Q And if we go to -- jump to page 24, towards the  
6 bottom. Do you see the line:

7 "Alderson advised he suspected that  
8 Tottenham would have notes."

9 And do you see:

10 "Alderson took notes and he turned them  
11 over to BCLC at the time of his departure.  
12 Alderson advised he did not know where his  
13 notebooks were now."

14 Do you see that and do you recall informing  
15 Mr. Skrine of that?

16 A I don't think I've got the right page in front  
17 of me.

18 THE COMMISSIONER: Page 24.

19 THE WITNESS: 24.

20 MS. MAINVILLE:

21 Q That is the correct page. Almost in the middle:

22 "Alderson advised he suspected that  
23 Tottenham.

24 A Okay. Yes.

25 Q So the second sentence:

1                    "Alderson took notes and he turned them  
2                    over to BCLC at the time of his  
3                    departure."

4            A    I see that. I don't know if that's referring to  
5                    the incident or not, but I took notes, yes.

6            Q    And:

7                    "Alderson advised he did not know where  
8                    his notebooks were now."

9            A    Yes. I'm talking about all my notebooks. The  
10                   majority of my notebooks from BCLC, yep, were in  
11                   the possession of BCLC.

12           Q    Right. Well you indicated to Mr. Skrine, as we  
13                   just saw, that you had left all your notebooks  
14                   or BCLC had retained all your notebooks?

15           A    That's right. I'm saying I don't know where  
16                   they are at BCLC, yep.

17           Q    Right. And if we go to page 64, we see that  
18                   BCLC made efforts to locate your notebooks. Do  
19                   you see there Mr. deBruyckere confirmed their  
20                   efforts to locate Alderson's missing notebook  
21                   had been exhausted?

22           A    Yes.

23           Q    Now, you've told commission counsel that you  
24                   kept one of your notebooks; correct?

25           A    Yes, I came upon it, yes.



1 Q You came upon it?

2 A Yes.

3 Q And that was the April 2017 onward notebook?

4 A That's right.

5 Q So you're saying at the time you weren't  
6 purposely lying to Mr. Skrine about this?

7 A No.

8 Q You travelled with these notebooks to Australia  
9 or did they remain here?

10 A They -- my notebooks were thrown out. I had one  
11 notebook that I left BCLC, that would have been  
12 my last notebook and I threw it out when I came  
13 upon it. Actually in my office at my home in  
14 Richmond, British Columbia.

15 Q At what time? When did you throw it out?

16 A I think at the end of 2017. When BCLC had asked  
17 that everything that was in the possession of  
18 BCLC be returned and I came across it. I didn't  
19 want to have anything in my possession belonging  
20 to BCLC, so I threw it out.

21 Q Well, my understanding of what you told  
22 commission counsel was that you kept one  
23 notebook, one notebook.

24 A Well, I'm referring to when I left BCLC. That's  
25 right. I had a notebook with me. So I had

1                   that -- I didn't intentionally keep that  
2                   notebook. I came across it when I was in the  
3                   office at my house. If it had details of  
4                   Mr. Kroeker in there, I certainly would have  
5                   provided it as evidence. I don't recall seeing  
6                   it. I didn't really go through that notebook.  
7                   I threw it out.

8                   Q    Or sorry, you're saying you threw it out then  
9                   over a year before making the complaint to GPEB?

10                  A    That's correct.

11                  Q    And you did not recall that at the time of your  
12                  interview with Mr. Skrine?

13                  A    I don't remember.

14                  Q    And you threw it out the same year Mr. Kroeker  
15                  would have made this comment even though you say  
16                  it deeply troubled you?

17                  A    That's correct. I had it with the gaming  
18                  industry and I wanted no records of it.

19                  Q    Well, you kept a lot of records in late 2017  
20                  that you provided to the media subsequently,  
21                  didn't you?

22                  A    I destroyed all records in 2017.

23                  Q    When you made this complaint to GPEB, this was  
24                  the first time you reported this allegation,  
25                  correct, to anyone?

1           A     Yes, it was really as a result of a letter I  
2                    received from BCLC after W5. Which was quite  
3                    disturbing to me.

4           Q     In what way?

5           A     Well, it alleged that what I said on that  
6                    program was all lies and that that has now been  
7                    corroborated by Stone Lee and Steven Beeksma,  
8                    that I was dishonest. And at that time I was  
9                    very well aware of comments being made by  
10                  certain people, executives, and I was so  
11                  disappointed at BCLC's letter. They alleged  
12                  that I had contacted BCLC staff and asked them  
13                  to provide confidential information with -- not  
14                  true. I certainly contacted staff and asked if  
15                  they would acknowledge and support me, which is  
16                  very, very different than asking them to release  
17                  information or breach any policy of BCLC's.  
18                  That's not what I asked. And that was not what  
19                  was in the letter and the subsequent letter that  
20                  was sent to the Attorney General. And I take  
21                  real issue with that. So I was very angry after  
22                  that, I received that letter, and knowing full  
23                  well what Mr. Kroeker has said and what he was  
24                  now denying and other comments that were made  
25                  during my time there. I had tolerated it and

1                   let it go after that point. I mean, that was  
2                   the primary reason I did it.

3           Q       So you were upset with Mr. Kroeker?

4           A       Yes. But, you know, this is not an allegation  
5                   made out of spite. It is -- I know that's where  
6                   you're going to go with this. And as I said to  
7                   Mr. Skrine at the time, and I'll say it on the  
8                   record here again today, I offered to do a  
9                   polygraph test and I'll still do that polygraph  
10                  test. And if you [indiscernible] let all four  
11                  of us do the polygraph test and we'll know who  
12                  is lying.

13          Q       And you -- following the W5 interview and this  
14                  letter from BCLC where you say you were accused  
15                  of lying and being dishonest, you felt you had  
16                  to justify yourself; correct?

17          A       No. I was annoyed -- I was angry at -- I never  
18                  had a beef with BCLC. I believed that they were  
19                  doing the right thing in many ways. And BCLC  
20                  turned that around and rather than taking any  
21                  accountability for things that had happened in  
22                  the past, they tried to make me the bad guy.  
23                  And it just -- it upset me greatly. It is still  
24                  the most unsettling and upsetting letter I've  
25                  ever received. They threatened to sue me, they

1                   threatened for me to pay their legal fees, and  
2                   based on lies. Things that have been now  
3                   corroborated in this inquiry. You know, it was  
4                   quite disgusting quite frankly. And Mr. Kroeker  
5                   was part of that. And I know full well the  
6                   conversations that we had about certain things,  
7                   comments he's made that I kept to myself. When  
8                   this came out -- you know, yesterday I was  
9                   grilled over this and why I didn't report it,  
10                  and having the benefit of thinking about it  
11                  overnight, one of the things I was grilled on,  
12                  why I didn't report it to the regulator.  
13                  Because there is a responsibility to report that  
14                  to the gaming regulator.

15                         In 2019 I was no longer a registered gaming  
16                         worker, but Mr. Tottenham and Ms. Bamra are. If  
17                         they are found that they didn't report this,  
18                         they would likely lose their job. I have no  
19                         motivation to -- nothing to gain here and  
20                         nothing to lose here; right? I've got no skin  
21                         in the game anymore. I've got nothing personal  
22                         against Mr. Kroeker. I was in that meeting and  
23                         I know what was said.

24                   Q     But you agree with me before receiving that  
25                         letter from BCLC that made you upset, you were

1                   primarily upset, so to speak, with GPEB and law  
2                   enforcement's failings; is that fair?

3           A       Well, that is what -- no, I -- the system, there  
4                   were -- certainly there were many discussions I  
5                   had with multiple people. I met with my entire  
6                   management team at BCLC. I had lunch with  
7                   multiple employees and I told them I disclosed  
8                   information and why. And, you know, we had  
9                   many, many discussions about some of the things  
10                  that were happening in the industry. I believed  
11                  the casino industry was on the right track, but  
12                  there were people in the industry that, you  
13                  know -- there was given evidence about in 2012  
14                  and other things that were said as well. There  
15                  was a certain indifference by a number of  
16                  executives to money coming in, which I didn't  
17                  agree.

18                         So -- but yes, a lot of what I -- my major  
19                         concerns I had at the time was the lack of law  
20                         enforcement attention and the vindictive nature  
21                         of the regulator but also what was happening in  
22                         the greater province of British Columbia. I was  
23                         wanting to put the whole thing behind me, quite  
24                         frankly.

25           Q       And you -- do you recall writing in your

1                   affidavit and telling commission counsel that  
2                   you thought GPEB had let BCLC down?

3           A        I think GPEB have let the community of British  
4                   Columbia down.

5           Q        And you indicated in a CKNW interview with Mike  
6                   Smith that GPEB didn't appear to take a very  
7                   active role. Do you recall that?

8           A        Yes.

9           Q        And that you thought GPEB investigators did  
10                  nothing?

11          A        I don't know about nothing, but, I mean, you've  
12                  already got -- you've got an AML -- at the AML  
13                  summit you've got notes that are -- I believe  
14                  they're in evidence. I've certainly seen them  
15                  in the last couple of weeks. And you've had  
16                  GPEB investigators saying that the casino  
17                  environment, the patrons were so dangerous that  
18                  they were too scared to interview them. I mean,  
19                  that is a recognition from the government that  
20                  they knew that organized crime were in the  
21                  casinos. How does that not endanger the people  
22                  working in those casinos? It is complete  
23                  abdication of their role.

24          Q        Yet when you go to GPEB in February 2019, the  
25                  only person you make a complaint about is

1 Mr. Kroeker; correct?

2 A I'm not likely to -- I had -- I had -- before I  
3 had that meeting, that interview, I met  
4 Mr. Skrine for coffee at Starbucks there, and we  
5 talked about many things and that wasn't  
6 recorded. I'm hardly going to go to a GPEB  
7 investigator and tell them that they're a bunch  
8 of idiots; right? And that's not -- and things  
9 had changed. Mr. Skrine -- I didn't know  
10 Mr. Skrine at all. He had come from, I believe,  
11 Kelowna and was living in Kelowna, so he was  
12 different from the previous management. I had  
13 very little interactions with him.

14 And I actually had some good relationships  
15 with some of the GPEB folks, so I'm not going to  
16 tar them all with the same brush. I had a lot  
17 of negative interactions with GPEB over many  
18 years where I believe they have let -- you know,  
19 the casino industry needed a watchdog and they  
20 got a lapdog.

21 Q And you made this complaint in respect of this  
22 one comment from Mr. Kroeker even though you  
23 acknowledged that it was a one-off comment that  
24 was out of character for him; correct?

25 A To that -- I believe that comment was



1                   inappropriate. He made other comments that I  
2                   didn't agree with that essentially money  
3                   laundering was inevitable and it was -- what  
4                   better way for the government to collect it than  
5                   through casinos. I mean, he said that; right?  
6                   I didn't agree with that comment.

7                   Q    Sorry, could you repeat that. Sorry, could you  
8                   repeat that.

9                   A    He made comments to me that money laundering was  
10                  inevitable, and I believe that was from his  
11                  previous role as a civil forfeiture, speaking  
12                  from a Director of Civil Forfeiture, that money  
13                  laundering was inevitable and that, you know, it  
14                  was far more efficient to collect it through  
15                  casinos. Whether he said that in jest, I don't  
16                  know, but he said it on more than one occasion,  
17                  and I didn't -- I thought it was completely  
18                  inappropriate.

19                 Q    But do you recall telling Mr. Skrine it was a  
20                  one-off comment and that --

21                 A    Yes. Yes.

22                 Q    Okay. And in respect of what you've just  
23                  mentioned about his -- you say his statement  
24                  from him that it was more efficient to collect  
25                  proceeds of crime through the casinos, something

1 to that effect, is that --

2 A Something to that effect, yes.

3 Q So could we bring up BCLC 6468. This is an  
4 email that predates Mr. Kroeker's time as your  
5 superior where you'll see at the bottom -- the  
6 bottom email or the bottom of the chain here  
7 where it talks about -- where Mr. Beeksma is  
8 reporting an incident where someone, a player  
9 brought in unsourced chips, took cash in  
10 exchange for the chips, left the site and  
11 returned later with a bank draft that was in the  
12 same amount?

13 A Yep.

14 Q And -- right, and you recall this? The player  
15 was on sanctions, BCLC sanctions; correct?

16 A I don't recall that.

17 Q If you see the feeling was that he was -- he had  
18 found a workaround. You see the second  
19 paragraph, "Peter called," and it says that:

20 "River Rock made the decision not to allow  
21 the transaction as they feel he is  
22 circumventing the sanctions we imposed."

23 Do you see that?

24 A Yes, I see that.

25 Q Okay. And then your response to this is

1 reporting it to Mr. Desmarais and Kevin Sweeney?

2 A Sorry, I don't see that, Ms. Mainville.

3 Q If we go up --

4 A Yeah.

5 Q -- please, to the first page. You say there --  
6 you explain the situation to them and you say:

7 "In a way this may not be such a bad  
8 thing. The mass of River Rock outstanding  
9 chips are being returned. The original  
10 direction was that if the player decides  
11 to buy in with gaming chips the site must  
12 be able to show that said chips were the  
13 result of a verified win by the same  
14 player."

15 A Yep.

16 Q You indicate:

17 "He's having to deposit this money to a  
18 bank, so a large cash transaction will be  
19 submitted by the bank and he then buys in  
20 with a bank draft, which is traceable and  
21 more desirable. In my opinion, although  
22 the player is trying to circumvent the  
23 process a little, this may help us get rid  
24 of the outstanding River Rock chips while  
25 forcing the player to use bank drafts,

1                   which meets our AML needs."

2                   So do you recall this exchange?

3           A       Only from when I read it recently.  So my  
4                   understanding of this is that -- and you have to  
5                   recall at the time BCLC had no ability to refuse  
6                   chips; right?  The chips were going.  This way  
7                   at least we knew who was in possession of the  
8                   chips, we were able to get information and  
9                   intelligence on this individual and that they  
10                  were using the chips.  There was no -- clearly  
11                  at the bottom I've got thoughts, question mark.  
12                  I mean, I had been in the job 10 days at this  
13                  point and I've sent it to my colleague and my  
14                  boss for their consideration and I don't know  
15                  what the decision was made after this.  But  
16                  certainly that's what I -- I mean, if you're  
17                  suggesting that I'm willingly allowing money  
18                  laundering, that's just not true.  That has  
19                  never been my position.

20           Q       My suggestion is that you are saying contrary to  
21                   what -- to the opinion of Mr. Gade, who is --  
22                   not only Mr. Gade but of Mr. Beeksma who were  
23                   reporting this to you and appear to be  
24                   concerned, your view is the fact that this  
25                   player seemed to have found a workaround around

1 the sanctions may not be such a bad thing.

2 A So when I've had -- I've had the opportunity to  
3 review my notes. In my notes there are multiple  
4 discussions with Daryl Tottenham, with other  
5 people, over this file at the time. And you're  
6 asking me to comment on something, and you've  
7 pulled one email out from six years ago, right,  
8 and provide concrete evidence of what we did and  
9 why we did it. As I said, my notes are clear.  
10 At that time, if you can go to my notes at that  
11 time, there were multiple discussions around  
12 this with many, many people. So why this -- why  
13 I reached that decision, I don't know.  
14 Obviously I was talking to Chris. I refer to  
15 that in the email. I talked to Daryl Tottenham.  
16 And I was guided at that time by Brad and a lot  
17 of information from Daryl. So, I mean,  
18 that's -- that's my response to that.

19 MS. MAINVILLE: Okay. Can we please have an exhibit.

20 THE REGISTRAR: Exhibit 1033, Mr. Commissioner.

21 **EXHIBIT 1033: Email from Brad Desmarais re Gao**  
22 **latest - April 27, 2015**

23 MS. MAINVILLE:

24 Q You have indicated that -- to commission counsel  
25 that Mr. Kroeker was always supportive and that

1                   the easing up comment was out of character;  
2                   right?

3           A       Yes. For the most part. I've said that, for  
4                   the most part he was supportive.

5           Q       Well, let's go to -- can we bring up the  
6                   investigative log again, which is exhibit 190 to  
7                   Mr. Kroeker's affidavit. At page 20 of that  
8                   log, right at the bottom of that page. Do you  
9                   see at the very last sentence where you advise  
10                  that you and Mr. Kroeker weren't the closest of  
11                  friends:

12                                "But up until he made the comment he never  
13                                saw any integrity issues with him."

14                  Do you recall indicating that?

15           A       So this is page 20?

16           Q       Yes. The very last sentence at the bottom of  
17                   the page.

18           A       Yeah. And I also read the bullet point here,  
19                   so:

20                                "Also advised that Kroeker did tell them  
21                                once that proceeds of crime were  
22                                inevitable and that he was speaking from  
23                                his experience in civil forfeiture.  
24                                Kroeker pointed out the benefit of the  
25                                money into the casino industry because the

1 money would go back into the government  
2 and be used to build a school."

3 I did raise that with Mr. Skrine. It's right  
4 there in his interview notes.

5 Q Right. But you seem to say subsequently, then,  
6 that you didn't see that as an integrity issue?

7 A Well, you're just twisting those words.

8 Q Okay.

9 A Clearly I have -- I've put that in there.

10 Q Okay.

11 A Thank you for leading me to it, by the way.  
12 It's right there.

13 Q Okay. Thank you. No, I admit --

14 A I actually brought that up to Mr. Skrine.

15 Q Thank you. Can you go to page 22, please.

16 A The third to last bullet point where, again, you  
17 indicate:

18 "Alderson advised that he had never heard  
19 Kroeker say anything like that before."

20 A Yes. And I'm referring to the meeting.

21 Q Yes.

22 A Yeah, that's what I'm referring to there.  
23 That's the one and only time.

24 Q Right.

25 A That's why I remember it.

1 Q Right. And you acknowledge that the AML efforts  
2 that BCLC undertook from September -- from 2015  
3 onward were significant; correct?

4 A Absolutely.

5 Q And if we could just pull up PG0211. Do you  
6 recall this is -- these are submissions you made  
7 to Dr. German as he was conducting his -- or  
8 actually after he submitted his report?

9 A Yes. I just -- under the understanding here  
10 that I did have to sign a confidentiality  
11 agreement with the government when I provided  
12 the response that I'm not under any concern by  
13 discussing this.

14 Q Well, I think if someone wishes to object, they  
15 will. But do you recall that you were  
16 disappointed that Dr. German didn't recognize  
17 the very significant efforts made by BCLC from  
18 2015 onwards?

19 A Yes. I felt that report was lacking.

20 Q Was -- sorry?

21 A Was lacking.

22 Q Okay. And --

23 A Sorry, lacking key information, yes.

24 Q And if we go to page 6. At the bottom your  
25 final comments included the fact that -- right



1                   there, the very bottom of page 6, that there was  
2                   little mention in his report of the enormous  
3                   change since 2015?

4           A       Yes. He omitted that from his original draft.  
5                   I was very disappointed in that.

6           Q       And you told him how the cash condition program  
7                   was completely new to the industry and very  
8                   significant?

9           A       Yes.

10          Q       And these were all steps taken under Mr. Kroeker  
11                   when he was VP of Compliance; correct?

12          A       Well, initially from Mr. Desmarais, yes. And  
13                   then Mr. Kroeker continued the program.

14          Q       And enhanced it, right, the program --

15          A       And enhanced the program, yep. I think that's  
16                   fair.

17          Q       And you've already testified to this, but there  
18                   was a significant drop not only in STRs but in  
19                   revenue?

20          A       Yes.

21          Q       And so -- well, first of all, you indicated  
22                   yesterday that Ms. Bamra had not given evidence  
23                   under oath in this commission about this  
24                   allegation, but in fact she filed a sworn  
25                   affidavit adamantly denying that Mr. Kroeker

1                   made that comment. Are you aware of that?

2           A       Yes, I know she's done an affidavit. What I was  
3                   alluding to is she hasn't given sworn testimony.

4           Q       But it is sworn, the affidavit?

5           A       The affidavit is sworn, yep.

6           Q       And you are aware that GPEB found that the  
7                   complaint ultimately was unsubstantiated or,  
8                   slash, unfounded?

9           A       Yes, that's right, insufficient evidence, yeah.

10          Q       Well, not just insufficient evidence, I think  
11                 the actual -- Mr. Skrine actually found it was  
12                 unfounded?

13          A       Yeah, that's a technical term for an  
14                 investigation when there's insufficient  
15                 evidence. I mean, I provided evidence. Others  
16                 provided evidence. So I mean, there's no one to  
17                 corroborate what I said, so it was unfounded.

18          Q       Okay. And do you agree with me -- well, first  
19                 of all, you've indicated that when Mr. Kroeker  
20                 made that comment he made no -- or you did not  
21                 recall any reference to financial impact or  
22                 whether that was mentioned?

23          A       I don't recall. I don't remember.

24          Q       And when he would have made this comment, nobody  
25                 asked for clarification, correct, of what he

1                   meant?

2           A     No.  There was -- certainly there was reaction.  
3                   [Indiscernible].

4           MS. MAINVILLE:  Your indulgence, Mr. Commissioner.  
5                   I'm almost done.

6           Q     So I just want to make sure we understand your  
7                   position on this allegation you've made, the  
8                   ease up comment.  Your position, then, is that  
9                   four people are lying and covering up for  
10                  Mr. Kroeker, that's Mr. Tottenham, Ms.  Bamra,  
11                  Mr. Sweeney -- sorry, I should say three people;  
12                  correct?

13          A     Yes.  Each with something to lose, and that  
14                  would be their jobs.

15          Q     Right.  But despite -- but they would be doing  
16                  this despite, according to you, having initially  
17                  expressed serious concerns about the comment?

18          A     They've probably seen what's happened to me and  
19                  realized that it's probably best that they don't  
20                  say anything.

21          Q     And that they would have -- that notes or  
22                  messages relating to this would have either been  
23                  destroyed or hidden from both GPEB and this  
24                  commission?

25          A     It's quite possible.

1 Q And that we have not located any of your own  
2 notes about the matter; correct?

3 A That's correct.

4 Q And that this allegation, which is in reference  
5 to a single comment, which was not clarified by  
6 anyone in the meeting, was out of character for  
7 Mr. Kroeker by your own admission?

8 A Yes.

9 Q And the complaint was only made over a year and  
10 a half after you left BCLC; correct?

11 A That's correct.

12 Q And you did not complain about anyone else at  
13 that time despite what is now your evidence  
14 about AML failures in the casino industry;  
15 correct?

16 A Did not complain to Mr. Skrine?

17 Q To GPEB, yes.

18 A To GPEB at that time?

19 Q Yes.

20 A I think during the course of that meeting there  
21 was discussions about certain failures. Yeah, I  
22 think that came up, but I think in those notes  
23 that was -- they were examples of it.

24 Q But your only formal complaint was in respect of  
25 Mr. Kroeker?

1           A     Well, I was being interviewed in relation to  
2                   that complaint.

3           MS. MAINVILLE: Those are all my questions. Thank  
4                   you.

5           MR. MCGOWAN: Yes, Mr. Commissioner. Mr. Butcher is  
6                   next in the lineup.

7           MR. BUTCHER: Thank you.

8           **EXAMINATION BY MR. BUTCHER:**

9           Q     Mr. Alderson, you have told us that you served  
10                  eight years as a police officer in Australia.

11          A     Just over seven. Seven and a bit, yeah.

12          Q     You joined BCLC in 2008?

13          A     Correct.

14          Q     You had no specific AML training before you  
15                  joined BCLC; is that correct?

16          A     That's correct. Other than very limited  
17                  proceeds of crime related training while I was  
18                  in the police force.

19          Q     And you've told us that you were the casino -- a  
20                  casino investigator between 2011 and 2012 and  
21                  the manager of online gaming between 2012 and  
22                  2015; correct?

23          A     That's correct.

24          Q     And while you were in that latter position, my  
25                  client, Mr. Desmarais, was appointed the Vice

1                   President of Corporate Security and Compliance;

2                   correct?

3           A     Correct.

4           Q     And you told us yesterday that he was a good

5                   hire; correct?

6           A     I did, yes.

7           Q     And you've told us today about a number of

8                   improvements that were made to the AML strategy

9                   under your -- during your tenure after 2015. Do

10                  you remember that? Being a substantial --

11          A     From my testimony today you're referring to

12                  Mr. Butcher?

13          Q     Yes.

14          A     Yes.

15          Q     There were also substantial improvements in the

16                  AML regime in the time that you were away from

17                  casino investigations and the time that you came

18                  back to be the AML director; is that fair?

19          A     There were some improvements, yes.

20          Q     And they included things like the information

21                  sharing agreement, the creation of the

22                  anti-money laundering team and ACAMS training

23                  for the investigators; correct?

24          A     Yes, they were all -- all positive steps.

25          Q     And you knew that that was all at the instance

1 or direction of Mr. Desmarais?

2 A I don't know that I knew that for a fact. But I  
3 assume that was under his direction, yes.

4 Q You had a good working relationship with  
5 Mr. Desmarais?

6 A We had some differences of opinion, but I had a  
7 working relationship with him.

8 Q And he was clearly knowledgeable about AML  
9 matters?

10 A He appeared to be, yes.

11 Q When did you get your ACAMS training?

12 A In March of 2015, I believe.

13 Q Immediately -- sorry?

14 A Actually just prior to that I went to New  
15 Zealand and Australia for a month's holiday in  
16 March of 2015, I think, so it would have been  
17 before that. I just finished a leadership  
18 program at the Sauder School of Business and  
19 then I think I did my ACAMS if my memory serves  
20 me right.

21 Q And all of that training was supported and  
22 sponsored by BCLC?

23 A It was, yes.

24 Q And --

25 A Actually it was a prerequisite for my job at

1                   that point. To become the director I needed to  
2                   complete that training.

3           Q       And you would agree it was a legitimate  
4                   prerequisite, that it provided you with a lot of  
5                   valuable knowledge?

6           A       Yes.

7           Q       And without that training people would have  
8                   lacked sufficient knowledge to do the job  
9                   properly?

10          A       Sorry, with -- you're referring to myself or  
11                   just generally?

12          Q       Generally.

13          A       Certainly it was, I think, helpful in the job,  
14                   yes.

15          Q       Now, I'm going to refer you to a few things that  
16                   you have written or you wrote during your time  
17                   with -- as the manager of AML, and I would ask  
18                   if we could please first pull up exhibit 522,  
19                   and --

20          A       You mean the director of AML. I was never  
21                   the manager of AML.

22          Q       Sorry, the director of AML.

23          MR. BUTCHER: Sorry, if we could have exhibit 522,  
24                   please, exhibit 25, that's page 127 to 129.  
25                   Madam Clerk, exhibit 525. Sorry. 522,



1 exhibit 25.

2 Q And this is a letter that you wrote on the 11th  
3 of September 2015. We can flip down the page to  
4 confirm your authorship, if you want.

5 A Yep, no, I've seen -- Ms. Mainville showed me  
6 that earlier, Mr. Butcher, so I'm familiar with  
7 that document.

8 Q And on the -- sorry, on the first page of that  
9 document you wrote this:

10 "BCLC continues to use a sound  
11 evidence-based approach to all player  
12 activity. Decisions made regarding the  
13 player behaviour of the players on this  
14 list are made unique to each individual  
15 and/or circumstances. They align with  
16 both BCLC's anti-money laundering program  
17 and with BCLC's key values, specifically  
18 social responsibility and integrity."

19 I've read that correctly?

20 A Yes. [Indiscernible].

21 Q And that was true, the comment that you wrote  
22 there?

23 A Yes.

24 Q If we could please take that exhibit down and go  
25 to exhibit 75 and to appendix A and to -- and

1                   just to put this in context, Mr. Alderson, this  
2                   is a report respecting non-compliance of -- with  
3                   respect to reporting of suspicious transactions  
4                   at River Rock. Do you remember this particular  
5                   incident?

6           A        This is -- I think you're referring to the  
7                   \$50,000 threshold.

8           Q        Yeah. And if I can take you to exhibit A on  
9                   this report, please. Sorry, appendix A. The  
10                  last page. You were tasked with writing this  
11                  response, weren't you?

12          A        I was.

13          Q        And I just want to go to the summary here where  
14                  you said this:

15                        "BCLC is absolutely committed to  
16                        compliance with *Proceeds of Crime (Money*  
17                        *Laundering) and Terrorist Financing Act.*  
18                        In addition to its reporting obligations  
19                        to FINTRAC, BCLC works and continues to  
20                        report all suspicious transactions to GPEB  
21                        and the RCMP simultaneously. Each of  
22                        these agencies also receive the  
23                        information at the same time."

24                  I take it that comment in your report to FINTRAC  
25                  was true.

1           A     Yes.

2           Q     If we can go to appendix C of that document,  
3                    please -- or of that exhibit.  If you just look  
4                    at the third paragraph on that document.  You  
5                    can see that one of the reactions of BCLC to the  
6                    FINTRAC complaint was to require additional AML  
7                    training for River Rock staff?

8           A     That's correct.  Face to face training.  
9                    Additional training from the online training,  
10                   face-to- face training.

11          Q     And that was obviously a proactive effort by  
12                    BCLC to improve the knowledge of the staff at  
13                    the casino?

14          A     Well, I guess proactive but also reactive to the  
15                    FINTRAC issue.

16          Q     If you can just quickly be taken to appendix G  
17                    of that document, you or your team conducted an  
18                    extensive review of the River Rock transactions?

19          A     Yes.  I think Daryl Tottenham almost did it on  
20                    his own, if I recall.  It was a substantial  
21                    task.

22          Q     And the end result of that review as set out in  
23                    this exhibit was that BCLC looked at  
24                    20,445 transactions and about 1.3 percent of  
25                    those were improperly reported or not reported

1 at all; is that correct?

2 A Just bear with me, Mr. Butcher. I'm just  
3 reading that now. Yep. You're right. It was  
4 found as 1.5 percent, yes, that's correct.

5 Q Thank you. That's all I need from the that  
6 exhibit. If we could please now have  
7 exhibit 505, that's Mr. Lightbody's affidavit.  
8 This is a sequence of emails involving you and  
9 Mr. Lightbody and my client. I just want to  
10 read the long paragraph --

11 THE REGISTRAR: Sorry, Mr. Butcher, which page do you  
12 want me to go to?

13 MR. BUTCHER: 181. Sorry, it's exhibit -- I made a  
14 mistake. It's exhibit 36 to that affidavit.  
15 Mr. McFee already went to exhibit 35.

16 Q This was a -- I just want to read a part of your  
17 email to Mr. Lightbody on April the 12th, 2016,  
18 where you said this:

19 "While I admit I was a little annoyed last  
20 week reading through some of the language  
21 in the documentation prepared by  
22 government for the press conference, my  
23 team are very aware that BCLC's positive  
24 contribution is often overlooked and that  
25 there's generally a political aspect to

1                   all of this. The security and AML team  
2                   has always been committed to doing what is  
3                   best to preserve the industry as a safe  
4                   and fun entertainment option in line with  
5                   BCLC's values rather than concentrating on  
6                   any self-promotion or preservation."

7                   You wrote that in April of 2016?

8                   A     I did.

9                   Q     And I take it that was true as well.

10                  A     Yes.

11                  Q     I want to go now to BCLC document 7233. This is  
12                   an update dated April the 3rd, 2017, with  
13                   respect to the unsourced funds program that you  
14                   had. If I can go to the second page, you write  
15                   at the top of the summary this:

16                             "The unsourced funds process has been  
17                             working extremely well for close to  
18                             18 months and the majority of players on  
19                             conditions have been very receptive to the  
20                             program."

21                  I take it that was true?

22                  A     Yes.

23                  Q     And that was a reflection of another program  
24                   undertaken by BCLC that was working well?

25                  A     Yes.

1           Q     If we can please go to -- thank you.  If we can  
2                   go to BCLC4388.  This is an email from yourself  
3                   respecting a report from CBSA about cross border  
4                   money seizures and you said this in an email to  
5                   Mr. Kroeker on the 18th of April, 2016:

6                                 "FYI, you will note the comments on the  
7                                 first page re cross-border currency  
8                                 reports.  Sounds pretty crazy that they  
9                                 don't provide data on that.  Clearly a ton  
10                                of cash is likely coming in that is not  
11                                reported."

12                               That was an opinion that you expressed at that  
13                               time?

14           A     Based on that document I -- I would have to see  
15                   the document, Mr. Butcher, to know what I was  
16                   actually referring to, to be honest.

17           Q     You don't have any recollection of the report  
18                   that you were referring to?

19           A     If -- again, I don't -- I'm just going off my  
20                   memory.  I apologize.  But if I recall, there  
21                   were -- some seizures were being reported, but  
22                   there was something that was being -- that they  
23                   were either seizing funds or other funds that  
24                   were not being reported on and I think that's  
25                   why I'm referring to not providing data on that.

1                   There was something unusual within the report.

2           Q        Would you agree -- sorry, I don't mean to  
3                   interrupt you.  Would you agree that it's common  
4                   knowledge among law enforcement that the amount  
5                   of value of seizures is a small amount of the  
6                   contraband smuggled into Canada or anywhere else  
7                   for that matter?

8           A        Depending on -- different countries differ on  
9                   their approach for sure.  But I think that's  
10                  there that only probably a small token of what  
11                  is coming in across the border is actually  
12                  seized.

13          Q        Yesterday you made it clear that you were proud  
14                   of your work with BCLC; correct?

15          A        Yes.  Yep.

16          Q        And that you described their people as second to  
17                   none?

18          A        In the AML team, yes.

19          Q        And you said this -- if we can have exhibit 505,  
20                   exhibit 187, please.  You've been taken to this  
21                   document before.  This was your email to Daryl  
22                   Tottenham on December 21st, 2017, where in the  
23                   middle you said:

24                                "I could not have asked for a better  
25                                management team.  It was always the great





1                   folks of the AML and investigations  
2                   department, and you guys in particular,  
3                   who made me want to come to work every  
4                   day."

5           A     Yeah, and that's true.

6           Q     And I take it that the management team included  
7                 people like Mr. Lightbody and my client,  
8                 Mr. Desmarais.

9           A     I think in this email I'm referring to those  
10                specific individuals that I addressed that to.

11          Q     I take it, though, that you would include --  
12                agree that those individuals, Mr. Lightbody and  
13                Mr. Desmarais, would be included in the group of  
14                people you described as second to none?

15          A     Not in this email. I certainly have a lot of  
16                time for all those individuals, yes.

17          Q     So maybe this email doesn't refer to that them,  
18                but generally they would be included in that  
19                group of people with the description that you  
20                gave of second to none?

21          A     Well, I'm talking about here the great folks of  
22                the AML and investigation, quite frankly,  
23                Mr. Butcher, and that's who I'm referring to.  
24                And that was Mr. Gade, who was the manager of  
25                investigations, Bal Bamra and Daryl Tottenham,

1                   who were the AML ones. So that email was sent  
2                   to them.

3           Q       So who were you including in the phrase "second  
4                   to none"?

5           A       That's who I'm talking -- I mean investigators,  
6                   all my staff.

7           Q       Now, at the end of Ms. Mainville's examination  
8                   she -- there's a couple of topics that arose  
9                   during that. And if we can go to exhibit 835.

10          A       Sorry, Mr. Butcher, I lost sound there. I  
11                   didn't hear you.

12          Q       Exhibit 835. Which has been pulled up now.

13          A       Yes.

14          Q       Ms. Mainville took you to this. These are your  
15                   words written -- well, tell us when they were  
16                   written.

17          A       This was my response to the "Dirty Money  
18                   Report," and I wrote this on March the 31st,  
19                   2018.

20          Q       So after you had left BCLC --

21          A       After I left BCLC, yep.

22          Q       And this is what you say at the very bottom of  
23                   the fourth page:

24                   "There was very little proof of widespread  
25                   criminality, which is why there was such a

1                   reluctant to refuse a transaction. Yes,  
2                   there was a link established in July 2015  
3                   to a small number of players through Paul  
4                   Jin and Silver International, but the  
5                   scale and scope as stated in 2017 by media  
6                   and law enforcement was not known at that  
7                   time, or if it was, it was not shared with  
8                   BCLC or GSPs and from 2015 through 2017  
9                   RCMP conveyed to me that they often didn't  
10                  know who were the bad guys versus the dupes."

11                  Was that comment true?

12                  A    Well, looking at the whole paragraph there, in  
13                      the context of the paragraph, there are many  
14                      popular theories as well, so I'll just have you  
15                      scroll through that, Mr. Butcher. Because I  
16                      think you just picked a piece out of that  
17                      paragraph.

18                  Q    Well, I think it's a separate paragraph. But I  
19                      understand what you were saying was that there  
20                      were other theories of the source of money, but  
21                      you were accepting that there was no proof of  
22                      actual criminality until the Jin --

23                  A    No, that's right. There was no definitive link  
24                      given to BCLC by police until my conversation  
25                      with Cal Chrustie.

1           Q     If I can take you to the next paragraph, you say  
2                    this at the top of page 5:

3                            "A program which included cash conditions  
4                            and source of funds, source of wealth  
5                            interviews was completely new to the  
6                            gambling industry and to my knowledge in  
7                            Canada."

8           A     Yes.

9           Q     "Therefore in 2015 banning a small group  
10                          of players using unsourced cash was very  
11                          significant."

12          A     It was, yes.

13          Q     I take it you'll agree that that comment by you  
14                          was true?

15          A     Absolutely.  Yep.

16          Q     And what you're saying there is that BCLC's  
17                          efforts were best in class, leading -- leading  
18                          the regulators in Canada -- sorry, just leading  
19                          in Canada?

20          A     Well, it was leading in Canada.  I would never  
21                          be vain enough to say it's best in class.  But I  
22                          think that was certainly the aim, and yeah, I  
23                          think -- I mean, given that every market is  
24                          different.  So the gambling market and different  
25                          [indiscernible] but certainly BCLC, what they

1                   were doing was not -- to the best of my  
2                   knowledge, not done anywhere else in Canada.

3           Q       You made a couple of comments again at the end  
4                   of Ms. Mainville's examination about GPEB, and  
5                   as I understood your evidence, you were saying  
6                   that generally you enjoyed good relations with  
7                   them, but there were also some negative  
8                   interactions. Did I get that right?

9           A       Sorry, Mr. Butcher, the last thing I got from  
10                   you was negative interactions. I'm sorry,  
11                   there's obviously an issue. I don't know if  
12                   it's my end or yours.

13          Q       Sorry. You made some comments at the end of the  
14                   examination by Ms. Mainville about relations  
15                   with GPEB, and I think what she was saying was  
16                   that generally the relations were good but that  
17                   there were negative interactions at time between  
18                   BCLC and GPEB?

19          A       Yes.

20          Q       And would you say that -- or agree that that  
21                   often related to the personalities involved?

22          A       Yes and no. I mean, there was changes of  
23                   personnel over a number of years. Everybody  
24                   seemed to be having similar type issues, so I  
25                   wouldn't put it down to just personalities.

1           Q     And you used something that -- a phrase that  
2                    puzzled me.  You described the vindictive nature  
3                    of the regulator.

4           A     Yes.

5           Q     I take it you were referring to GPEB?

6           A     I was, yeah.

7           Q     What did you mean by "the vindictive nature"?

8           A     I felt that -- I mean, okay.  So you've got the  
9                    regulator writing reports saying that they  
10                   believe that -- and a lot of it has come out in  
11                   this commission that they believe a lot of this  
12                   activity was criminal and they knew that -- they  
13                   stated they knew who the bad guys were and they  
14                   wouldn't share any of this information with  
15                   BCLC, they wouldn't interview any of these  
16                   players.  They seemed to focus solely on  
17                   auditing BCLC.  There was -- you know, having  
18                   had the opportunity to come out of the casino  
19                   environment in 2012 and seeing what I had seen  
20                   there and working in the online gaming  
21                   environment, they seemed to focus on issues that  
22                   were insignificant, in my opinion, compared to  
23                   what was occurring in the casino.  And that they  
24                   went out of their way -- you know, I don't think  
25                   they liked -- there were certain personalities



1 THE REGISTRAR: Thank you for waiting. The hearing  
2 is now resumed, Mr. Commissioner.

3 THE COMMISSIONER: Yes, thank you, Madam Registrar.  
4 Yes, Mr. DelBigio.

5 **EXAMINATION BY MR. DELBIGIO:**

6 Q Mr. Alderson, my name is Greg DelBigio. My  
7 client is Mr. Jin. The fact that it's now me  
8 means this is nearly -- we're nearly at the end  
9 of lawyers, but I do have some questions for  
10 you.

11 First of all, we've heard from your evidence  
12 that you were aware that police were conducting  
13 an investigation into the money in around and  
14 the casino; right?

15 A Sorry, Mr. DelBigio. You cut out there. Right  
16 at the end. I'm having some sound problems.

17 Q Okay. My question was --

18 A I think you were asking me the investigation  
19 with money around the casinos, was that the  
20 question.

21 Q That's correct.

22 A Yes, I was aware of that, yep.

23 Q And were you aware that that was called  
24 E-Pirate, that was the name of the  
25 investigation?



1 A In 2015, yes.

2 Q And were you aware that people were eventually  
3 charged as part of that investigation?

4 A Sorry, Mr. DelBigio. I didn't get anything from  
5 you at that point. There seems to be an issue.

6 Q Are you aware that certain people were charged  
7 as part of that investigation?

8 MR. DELBIGIO: Mr. Commissioner, I wonder just as a  
9 way of checking, can -- maybe Mr. McGowan --

10 MR. MCGOWAN: Yes, Mr. Alderson, can you hear me  
11 speaking?

12 THE WITNESS: I can hear you speaking, yes.

13 MR. MCGOWAN: Mr. Commissioner, I can hear  
14 Mr. DelBigio clearly and his sound is not  
15 cutting out for me.

16 THE COMMISSIONER: All right. I wonder -- did you  
17 have difficulty hearing Mr. DelBigio,  
18 Mr. Alderson --

19 THE WITNESS: Yes, I did, Your Honour. Just the end  
20 of the last [indiscernible]. I'm having sort of  
21 problems. It seems to be cutting out.

22 THE COMMISSIONER: All right. Well, if you indicate  
23 that on an ongoing basis, we may have to stand  
24 down and deal with that, but Mr. DelBigio, I'm  
25 sorry, could you ask that question again.

1 MR. DELBIGIO: Yes, thank you, Mr. Commissioner.

2 Q And I'll -- I'll rephrase the question.

3 Mr. Alderson, are you aware that Mr. Jin was  
4 never charged as part of E-Pirate?

5 A Yes, I'm aware of that.

6 Q Now, it's my understanding that in July of 2015  
7 you organized a summit for casino leaders, and  
8 that was -- and that was a conference that took  
9 place in Vancouver. Is that right?

10 A Sorry, Mr. DelBigio, I lost a bit of that. I'm  
11 trying my best here to put the pieces together  
12 about an AML summit in June of 2015.

13 Q You organized a summit?

14 A In conjunction with GPEB, yes.

15 Q Mr. Chrustie and --

16 A [Indiscernible] arranged that.

17 Q Mr. Chrustie and several other RCMP leaders were  
18 in attendance?

19 A Yes. There were multiple persons from the RCMP  
20 there among the attendees.

21 Q You had private meetings with some of those RCMP  
22 representatives during the course of the summit?

23 A Not during the course of the summit but  
24 afterwards. We did break into smaller groups,  
25 if my memory serves me right, but I didn't have

1                   any private meetings to the best of my memory.

2           Q       You indicated to the RCMP that you had concerns  
3                   with respect to casinos?

4           A       Yes, I did.

5           Q       Eventually an RCMP representative asked you if  
6                   you could provide lottery corporation suspicious  
7                   cash transactions to them; is that right?

8           A       No, that's -- those transactions -- Suspicious  
9                   Transaction Reports were actually being sent to  
10                  the police typically since about 2008, 2009.

11          Q       Did a member of Mr. Chrustie's team ask you to  
12                  provide to them Suspicious Transaction Reports?

13          A       It's possible. I mean, they were getting them  
14                  anyway, I think, as part of the information  
15                  sharing agreement. But it's quite possible they  
16                  asked for specific information.

17          Q       Were you then invited by the RCMP to go to a  
18                  meeting at the Green Timbers office?

19          A       This is in 2015 you're referring to,  
20                  Mr. DelBigio?

21          Q       Sometime after the summit?

22          A       Yes.

23          Q       And you attended that meeting?

24          A       Yes.

25          Q       You went into a room and you were shown

1                    photographs and other results of the E-silver  
2                    investigation?

3                    A    If my memory serves, there were photographs into  
4                    a link chart, yeah, I think was involved there.  
5                    Yeah. No results. There wasn't a result, I  
6                    don't think, at that stage.

7                    Q    They gave you a USB drive containing  
8                    surveillance photos?

9                    A    That's correct. Not on that day, just to  
10                    clarify that. That was at a meeting I had later  
11                    on that year, I believe.

12                    Q    After the general meeting at Green Timbers you  
13                    were brought into the inner sanctum by Mr. -- by  
14                    a member of Mr. Chrustie's team, a separate  
15                    room?

16                    A    No, the room with the charts and everything,  
17                    that was -- that's the room referred to. My  
18                    initial meeting was in a boardroom. So the  
19                    inner sanctum, if that's what you're referring  
20                    to --

21                    Q    Yes.

22                    A    -- I think you're referring to that, the  
23                    investigative room with a couple of police  
24                    officers there.

25                    Q    And you went into that room?

- 1           A     Yes.
- 2           Q     And you were shown further documents and  
3                 information relating to E-Pirate?
- 4           A     No. That was just the one. That's the one --  
5                 if you're referring to inner sanctum, that was  
6                 one room with documents that one time.
- 7           Q     And at that stage there was discussion about  
8                 what information you had that you might provide  
9                 to the RCMP; right?
- 10          A     Yes.
- 11          Q     And at that stage you were actually feeling  
12                 because of your -- you said to Mr. Smart that  
13                 you were feeling frustrations. You were  
14                 actually feeling greater allegiance to the  
15                 police than you were at the lottery corporation,  
16                 weren't you?
- 17          A     At that time, yes.
- 18          Q     And it occurred to you that the private and  
19                 confidential information that you had access to  
20                 in combination with the information that the  
21                 RCMP had might work to a mutual benefit; right?
- 22          A     Yes.
- 23          Q     You met with RCMP representatives from time to  
24                 time?
- 25          A     I did.

1 Q Sometimes at RCMP headquarters, sometimes away  
2 from RCMP headquarters or places such as coffee  
3 shops?

4 A Correct.

5 Q During those meetings they sometimes provided  
6 E-silver related information to you and you  
7 provided information to them; right?

8 A Yeah, I think that's fair. I mean, we had an  
9 information sharing agreement.

10 Q Now, when you say an information sharing  
11 agreement, do you mean a formal information  
12 sharing agreement, a written document that you  
13 signed, or do you mean an informal  
14 understanding?

15 A There's a signed information sharing agreement.  
16 There was one in 2014, I believe, or it might  
17 have been '13, that Brad Desmarais had worked on  
18 with the RCMP and then that was expanded on to  
19 provide more intelligence type information, and  
20 that was during my tenure as director. But  
21 there was an agreement in place I think that had  
22 been gone back a decade and that was the reason  
23 that they were receiving a Suspicious  
24 Transaction Report.

25 Q And when you were providing -- when you were

1                   having these meetings with the RCMP were you  
2                   doing so with the knowledge and approval of your  
3                   superiors?

4           A       For the most part. I think at times I was left  
5                   to my own devices. I didn't always communicate  
6                   that I was having these meetings.

7           Q       When you were giving information to the RCMP  
8                   were you doing so with the knowledge and  
9                   approval of your superiors?

10          A       For the most part, yes, I believe so.

11          Q       But not always?

12          A       Well, I think there were some questions being  
13                   asked by the police at that stage on people  
14                   within the gaming industry, that I wasn't  
15                   sharing that information directly back. But I  
16                   think for the most part, I mean, particularly  
17                   with Brad Desmarais, I mean, he had his existing  
18                   relationships with the same individuals, so I  
19                   wasn't trying to withhold information from him.  
20                   But there was times when, for example, there was  
21                   concern over a cash house which had been raided  
22                   that that had been compromised and so I was made  
23                   aware of this information. Some of my superiors  
24                   preferred not to be kept in the loop just so  
25                   they could never be criticized as being a

1 potential leak or comprising.

2 Q Did the RCMP tell you that you should keep their  
3 meetings with them confidential and secret from  
4 other people that you worked with?

5 A Not that I recall. I think there's a general  
6 understanding that some of the information was  
7 fairly confidential and quite sensitive.

8 Q When you provided information to the RCMP some  
9 of it was verbal; right?

10 A Yes.

11 Q You provided some paper documents?

12 A To the RCMP? I don't recall providing paper  
13 documents.

14 Q And you provided them some information on  
15 electronic data that you obtained from your  
16 employer's computers?

17 A Provided them with information, intelligence,  
18 yes, from BCLC intelligence, yes, under the  
19 information sharing agreements.

20 Q That you downloaded from the corporation's  
21 computers?

22 A No.

23 Q Did you ever give them a USB stick or something  
24 like that?

25 A No. Not -- not that I recall, no.



1           Q     Now, you met with an RCMP officer at an  
2                    Artigiano on one occasion, and you were told  
3                    that the information sharing had to come to an  
4                    end; is that right?

5           A     No.

6           Q     Now, if these were official meetings that you  
7                    were having, on the record meetings that you  
8                    were having with the RCMP, why were you having  
9                    them at coffee shops in places outside of your  
10                   office or the RCMP office?

11          A     As I just explained before. They weren't all  
12                   official meetings. It was just out of  
13                   convenience, I think. And primarily a lot of  
14                   the police didn't want to be identified by  
15                   coming to BC Lottery Corporation office. I  
16                   think that's quite sensible when they're  
17                   conducting sensitive information they don't want  
18                   to identify themselves. And Green Timbers was  
19                   in Surrey and their office was in Vancouver, so  
20                   quite often we would meet halfway and that was  
21                   just purely for convenience purposes more than  
22                   anything else.

23          Q     But you were discussing highly confidential  
24                   matters in coffee shops, weren't you, if you're  
25                   meeting halfway?

1           A     No, I mean, the place -- to have an  
2                     understanding in March -- sorry, in 2015 most of  
3                     the information was very -- it was no highly  
4                     sensitive information. The police were very --  
5                     you know, they wanted to control that  
6                     information, and so there's nothing that I  
7                     recall -- particularly once JIGIT came on board  
8                     that was that highly sensitive that would  
9                     compromise their investigation. And they made  
10                    it quite clear they couldn't share certain stuff  
11                    with me, and I was fine with that.

12           Q     And so you were sharing information with the  
13                     police from, what, 2015, 2016 and 2017; is that  
14                     right?

15           A     Yeah, most of the -- most of the information was  
16                     2015 around E-Pirate. Because they were asking  
17                     for our assistance. There was information that  
18                     was being sent to them through that time, yes.

19           Q     Now, when did you first meet Mr. Cooper?

20           A     Are you referring to Sam Cooper?

21           Q     Yes.

22           A     I met him in person at an AML summit. I'm not  
23                     sure what year that was. That was -- I was on  
24                     the board of directors for the anti-money  
25                     laundering, certified anti-money laundering

1                   specialists. And he spoke at one of the  
2                   luncheons with a former police officer Kim  
3                   Marsh, spoke about an investigation that they  
4                   conducted. But I was aware of some of his  
5                   reporting prior to that. I can't be certain of  
6                   the year, Mr. DelBigio.

7                   Q    You eventually gave Mr. Cooper information from  
8                   your employer; right?

9                   A    I did, yep.

10                  Q    And that was some of the same information that  
11                  you had provided to the RCMP; right?

12                  A    I don't -- I think some of it was different.  
13                  There was some presentations, but I don't think  
14                  [indiscernible].

15                  Q    And you agree with me that not all of the  
16                  information that you gave to the RCMP was  
17                  covered by an information sharing agreement;  
18                  right?

19                  A    I don't recall.

20                  Q    And you understand that not all of your meetings  
21                  were meetings which were sanctioned, meaning --  
22                  and if you want me to rephrase that, I will to  
23                  say that some of your meetings with the RCMP you  
24                  were having -- you were acting in your private  
25                  capacity rather than as an employee?

1           A     I socialized with a couple of the members, yes.

2                     I agree with that.  Yep.

3           Q     And during some of those socializations you were  
4                     providing information and discussing lottery  
5                     business and E-Pirate?

6           A     On occasion, yes.

7           Q     It's certainly the case that the information  
8                     that you gave to Sam -- Mr. Sam Cooper, there  
9                     was no information sharing agreement; right?

10          A     Yes.

11          Q     And how was it that you came to give  
12                     information?  Was it you -- did you and he have  
13                     discussions about whether you should give  
14                     information, if you should, what information you  
15                     might give?

16          A     Ultimately I believe -- I mean, we had -- I met  
17                     with him at a conference in Victoria in 2017.

18          Q     Yes.

19          A     And we had some discussions about the industry,  
20                     and he was aware of certain information.  And I  
21                     felt that to have a proper fuller picture that  
22                     there needed to be -- he didn't have the full  
23                     picture, put it that way.  And so  
24                     [indiscernible] I have not denied.

25          Q     You met in a coffee shop near the hotel Fairmont

1                   in Victoria, and at a meeting with Mr. Sam  
2                   Cooper you told him about the RCMP investigation  
3                   E-Pirate. You provided that -- some of that  
4                   information to him, didn't you?

5           A        I don't recall exactly. I was -- if my memory  
6                   serves me, I think he already had some prior  
7                   knowledge of an investigation. But I could be  
8                   wrong.

9           Q        But you gave him additional knowledge about your  
10                   discussions and information that you had  
11                   received from the RCMP, didn't you?

12          A        We discussed the investigation, yes.

13          Q        You gave him information that you passed to him,  
14                   information that the RCMP had passed to you;  
15                   right?

16          A        That's correct.

17          Q        You gave him then, what, a USB or something like  
18                   that containing information?

19          A        No. I emailed him some files.

20          Q        How many emails did you -- how many different  
21                   occasions was it that you provided information  
22                   to Mr. Sam Cooper?

23          A        I don't know. I believe it was probably one or  
24                   two emails over the course of about one or two  
25                   days.

- 1 Q What did you give him? Like, what's the  
2 documents, the things that you gave him?
- 3 A I don't remember. I deleted all those emails.  
4 I know that -- I can't recall.
- 5 Q You can't recall a single thing that you gave  
6 him?
- 7 A I deleted all those emails. I mean, I know that  
8 there was a Section 86 Report. I know that  
9 there was a couple PowerPoint presentations.  
10 But I gave him a -- I can't -- I can't recall  
11 off the top of my head, Mr. DelBigio.
- 12 Q Did you give him any surveillance footage?
- 13 A No.
- 14 Q Did you give him any of your notes?
- 15 A No.
- 16 Q So far as you're aware, does Mr. Sam Cooper have  
17 access in any way to any of the notes that you  
18 kept as an employee?
- 19 A No. They're all in the possession of BCLC now,  
20 any notes. As I said, that's why I threw my  
21 notebook out.
- 22 Q The information that you gave to Mr. Sam Cooper  
23 you obtained from your employer's computers or  
24 paper records; right?
- 25 A Yes.

1 Q You were using those computers in a way that was  
2 absolutely unrelated to your employment; right?

3 A That's right. I blew the whistle on the  
4 industry that led to this public inquiry.

5 Q It was -- the purposes --

6 A I thought what was happening was so egregious  
7 that I needed -- it needed to be outed.

8 Q I understand that's your view, but the purposes  
9 for which you were using the employer's  
10 computers to obtain this information was  
11 completely unauthorized, wasn't it?

12 A Yes.

13 Q You did not have the approval or authority of  
14 anybody in your office to transmit this evidence  
15 to Mr. Sam Cooper, did you?

16 A No.

17 Q You stole this information from your employer,  
18 didn't you?

19 A No.

20 Q It was not a theft of information?

21 A I don't believe it's a theft of information.

22 Q It was an improper use of the employee's  
23 computers, though, wasn't it?

24 A I believed that that was -- it was a greater  
25 purpose to this, so I don't agree with that.

1           Q     It was a breach of trust on your part, wasn't  
2                    it?

3           A     I breached their policy.  And that was a matter  
4                    dealt between myself and BCLC.

5           Q     As a matter of law did it occur to you whether  
6                    you were acting within the law or outside the  
7                    law as you were giving this information to  
8                    Mr. Cooper?

9           A     Well, Mr. DelBigio, it's interesting, isn't it?  
10                   Because there is so much out there now that  
11                    Canada has now become quite aware of money  
12                    laundering issues and the problems that have  
13                    stemmed from it on a greater scale.  I believe  
14                    it's even part of the political platform for the  
15                    federal parties.  So a lot of this came about  
16                    because of what I did.  I likened it to -- you  
17                    know, if somebody's driving over the speed  
18                    limit, right, and they've got their pregnant  
19                    wife in the back of the car and they're rushing  
20                    to the hospital, now, is that person technically  
21                    they're committing an offence, aren't they.  But  
22                    I think that in certain circumstances it should  
23                    be discretion used.  At the end of the day, I  
24                    mean, we're here in large part because of the  
25                    reporting that was done that stemmed from that,



1                   so I don't -- as I said, I don't -- my  
2                   conscience is clear, Mr. DelBigio.

3           Q       And I understand --

4           A       Never been charged with any criminal offence.

5           Q       I understand you've given that testimony, but  
6                   you took the law into your own hands, didn't  
7                   you?

8           A       Because I believed what was happening was so  
9                   egregious, yes I did.

10          Q       Yes. But you took the law into your own hands  
11                   and broke it intentionally, didn't you?

12          A       [Indiscernible].

13          Q       Did Mr. Cooper ever express concern to you he  
14                   shouldn't receive illegally -- information that  
15                   you had illegally obtained?

16          A       No. He believed that story needed to be out.

17          Q       I'm sorry, I just didn't hear your last answer.

18          A       No, he never did. I believe he believed that  
19                   the story needed to be out, and I think from the  
20                   general public response, I think they're in  
21                   agreement.

22          Q       You're aware that there was a stay of  
23                   proceedings of the E-Pirate prosecution?

24          A       Yes, I did. Yes, I was.

25          Q       And do you have -- I'm not suggesting an answer

1 to you because I do not know the answer to this  
2 question, so I want to be clear, but I'm asking  
3 the question. Do you have any reason to think  
4 those proceedings were stayed because of your  
5 involvement in providing information to the  
6 RCMP?

7 A No, I don't believe that they were at all.  
8 That's not the information I've received. I  
9 believe their response was that they compromised  
10 a couple of informants.

11 Q But your position, to summarize, is that if in  
12 your perception of the world there is a greater  
13 good to be achieved, you're willing to break the  
14 law for it and you did; right?

15 A In this circumstance, I'm proud of what I did.  
16 I stand by it.

17 Q You're proud of breaking into the computers and  
18 stealing the information from it and giving that  
19 to Mr. Sam Cooper and to the RCMP?

20 A I am proud of shining a light on a dark issue.

21 Q And finally, Mr. Alderson, to the extent that  
22 you have discussed things such as organized  
23 crime or transnational crime or foreign  
24 governments, that's just information that was  
25 passed to you by the RCMP, that's not any

1                   knowledge that you have as a result of your own  
2                   first-hand investigation --

3           A       No, that is not true.  There is enough  
4                   literature out there that anybody who would like  
5                   to educate themselves can read about.

6           Q       I see.

7           A       It's all outlined in Sam Cooper's book.  It's  
8                   all there.

9           Q       You've read his book, have you?

10          A       I have read his book, yeah.  I'd encourage you  
11                   to do so.

12          Q       Did you see a transcript before it was  
13                   published?

14          A       No.

15          Q       You approve of its contents insofar as it  
16                   describes you?

17          A       I don't have any opinion on how it describes me.  
18                   I don't think about that sort of stuff.

19          MR. DELBIGIO:  Mr. Commissioner, I'm just taking a  
20                   moment to check my notes.

21          Q       So if Mr. Cooper's book describes your notes and  
22                   uses quotation remarks around information which  
23                   purports to come from your notes, you say you  
24                   don't know where he got that; is that right?

25          A       A lot of it is in freedom of information

1                   requests. He's done hundreds of freedom of  
2                   information requests. It may well have come  
3                   from that. Perhaps you could ask him.

4           MR. DELBIGIO: Thank you, Mr. Alderson. Those are my  
5                   questions.

6           THE COMMISSIONER: Thank you, Mr. DelBigio.

7                   I turn now to Mr. Bolton on behalf of  
8                   Mr. Meilleur, who has been allocated 15 minutes

9           MR. BOLTON: Thank you, Mr. Commissioner.

10           **EXAMINATION BY MR. BOLTON:**

11           Q     Just a few questions that I have for you,  
12                   Mr. Alderson, and in particular with regard to  
13                   relations to GPEB and in particular with  
14                   relations with Mr. Meilleur. You and  
15                   Mr. Meilleur took the reigns, so to speak, at  
16                   the helm of the AML function at your respective  
17                   organizations within a few months of each other;  
18                   is that correct?

19           A     That's correct.

20           Q     And one of the first things that you and  
21                   Mr. Meilleur did was to jointly organize the  
22                   summit that involved both organizations, BCLC,  
23                   the GPEB people and also the RCMP and other law  
24                   enforcement agencies and bringing all those  
25                   people together under one roof for an intensive

1 meeting to decide some common ground; is that  
2 correct?

3 A Yes. Mr. Meilleur and I met, I think, and had a  
4 few meetings and we were organized to have this  
5 summit. It was jointly --

6 Q That was a useful thing to do in terms of  
7 identifying or trying to identify the roles of  
8 each of the organizations and the role that law  
9 enforcement could play in the enforcement of  
10 anti-money laundering laws in the casinos; is  
11 that correct?

12 A I thought personally that the major value out of  
13 all of it was sort of the networking of knowing  
14 who was who in the zoo, so to speak. But  
15 certainly there was opportunity for people from  
16 a bunch of different sectors to come in and  
17 voice their -- voice their opinions. You know,  
18 I was a little bit disappointed that there was  
19 no -- that there seemed to be a feeling that  
20 there was no concern about the source of funds  
21 and that was my -- that was one of the takes I  
22 brought from that meeting, which I thought was I  
23 was disappointed with.

24 Q You told the commission yesterday that yourself  
25 and Mr. Meilleur shared a lot of common

1 objectives and views; is that correct?

2 A That's correct. Sorry, Mr. Bolton, there's a  
3 bit of a lag again on speaking. But I believe  
4 your question was that did Mr. Meilleur and I  
5 share common ground on views?

6 Q That's correct.

7 A Yeah. No, I -- I spoke with -- I knew Len quite  
8 well in my tenure as the manager of e-gaming  
9 investigations, and we were both fairly new into  
10 our roles in 2015, and he and I had similar  
11 feelings about where the cash was coming from.

12 Q So the two of you in the two organizations were  
13 thrust into -- not exactly crisis, but a pretty  
14 serious situation within a very short time after  
15 that when you learned from Inspector Cal  
16 Chrustie that indeed there was an ongoing  
17 investigation that was known as E-Pirate and  
18 perhaps another investigation as well that were  
19 already underway in the casinos?

20 A I would agree with that. I mean, I think it's  
21 been brought up many, many times. I think it's  
22 clearly a very pivotal moment in the industry  
23 that -- that occurrence in mid-2015.

24 Q You're aware that -- I'll call it one of the  
25 prevailing issues for -- certainly for BCLC was

1                   at the start of your reign in compliance was the  
2                   issue of what investigative functions you could  
3                   undertake in the casino, that is could you  
4                   confront players, interview them with regards to  
5                   proceeds of crime and things of that sort. It  
6                   was not clear that you had those powers?

7                   A    Yes, I think that's fair. I think that it  
8                   was -- there was certain circumstances there  
9                   investigators were able to intervene. I think  
10                  it became more clear that when it came  
11                  particularly with high-limit players that there  
12                  was a desire to [indiscernible].

13                 Q    The same sort of conundrum to your knowledge  
14                  faced GPEB in the sense that they were  
15                  apparently circumscribed to some extent by  
16                  advice that they did not have the power to  
17                  interview casino patrons about money laundering.  
18                  You knew that as well?

19                 A    Not at that time. And I think one of the  
20                  frustrations, Mr. Bolton, was that, you know,  
21                  many of the GPEB investigators were under the  
22                  impression that they did have authority, and  
23                  verbally they were requiring of BCLC reams and  
24                  reams of information related to money laundering  
25                  type material as well as other material and that

1                   they were overall responsible for integrity and  
2                   they were conducting investigations. And that  
3                   was what we as the BCLC investigator believed  
4                   was occurring. And it really wasn't until  
5                   probably 2015, 2016 there was a presentation by  
6                   the then ADM Mr. John Mazure, the general  
7                   manager, that he -- I remember the PowerPoint  
8                   that they had no authority to investigate it.  
9                   And that was news to me at that time.

10            Q     And the concern about integrity, the integrity  
11                   of gaming is a concern that's shared by both  
12                   organizations, by GPEB and by the -- and by  
13                   BCLC. That's your understanding; is that  
14                   correct?

15            A     That's my understanding. And I would add to the  
16                   service providers as well. I think everybody  
17                   should be.

18            Q     And when you first -- sorry, I didn't mean you  
19                   cut you off.

20            A     That's okay.

21            Q     When you learned from Inspector Chrustie that  
22                   the E-Pirate investigation was underway, one of  
23                   the first things that you did was to call Len  
24                   Meilleur and provide that information to him; is  
25                   that correct?



1           A     Yeah, just to be clear on that. I did call Len  
2                    Meilleur, but I didn't provide, convey that  
3                    information. I told him to call Cal Chrustie.  
4                    I was in -- I'd been come into possession of  
5                    some disturbing information from Cal Chrustie  
6                    and I recommended he call him, and I believe  
7                    he -- Cal then relayed what had -- we had  
8                    earlier talked about to Len at that time.

9           Q     Your recollection is that Len Meilleur also  
10                   spoke with Cal Chrustie and then he spoke with  
11                   you and was of the view that you shed light on  
12                   Misters Lightbody and Kroeker regarding the  
13                   E-Pirate investigation; is that correct?

14          A     Partly correct. It was -- at that time it was  
15                   Mr. Desmarais was my direct supervisor, so it  
16                   was -- Mr. Bolton, I think I may have already  
17                   had some discussion with Mr. Desmarais about  
18                   some of the information. I'm not certain about  
19                   that. But certainly Len conveyed to me,  
20                   Mr. Meilleur conveyed to me that I needed to  
21                   brief him and in particular, Jim, I don't know  
22                   if you mentioned Brad, but Brad because this  
23                   information that was making its way through GPEB  
24                   up through the channel to government and so it  
25                   was creating a few waves.

1           Q     Did the fact that the -- that the national  
2                    police force had -- was now taking the  
3                    initiative to actively investigate money  
4                    laundering issues in the casinos, that was --  
5                    that was a significant event from the point of  
6                    view of both -- I suggest of both BCLC and it  
7                    would be a significant event to GPEB as well, an  
8                    important advance. Do you agree?

9           A     That particular event was significant, for sure,  
10                    yeah. But I mean, there was -- the police had  
11                    been involved in the industry by receiving  
12                    reports for a long time, but yes, that -- to  
13                    have the definitive link to a transaction that  
14                    police had, that was significant.

15          Q     And I'm going to suggest to you that perhaps the  
16                    most significant development that occurred  
17                    during your reign there was the creation of the  
18                    JIGIT unit, the joint --

19          A     JIGIT.

20          Q     Yes.

21          A     No, for sure. It was something that I think  
22                    even -- it was one of my wishes and it was a  
23                    recommendation I think I made in 2015, and I'm  
24                    not taking any ownership of that. I mean, that  
25                    was obviously come through from the government,

1 but that was in my view they needed a specialist  
2 unit in the casinos similar to what was  
3 happening in Ontario and other jurisdictions.

4 Q You're aware that joint investigative unit  
5 included GPEB personnel; is that correct?

6 A Yes. That's correct.

7 Q And the -- around the same time that or very  
8 shortly again after you took the reigns at  
9 compliance at AML at BCLC the -- there was a  
10 meeting, I think in Victoria, between yourself  
11 and Len Meilleur and your colleague Sweeney that  
12 you've referred to earlier in your evidence in  
13 which Len discussed with you the spreadsheet  
14 pertaining to transactions at River Rock, I  
15 think, during June of 2015 and it particularly  
16 pointed out the very high volume of suspicious  
17 transactions, transactions involving \$20 bills,  
18 enormous amounts of \$20 bills and so on. Do you  
19 recall that?

20 A Well, I certainly recall the meeting. The  
21 initial meeting I think we had was I think it  
22 was the Cactus Club in Victoria. I think that's  
23 the one you're referring to. Because we were --  
24 I think we had a full day of meetings the next  
25 day when I initially talked to Len. I'm not

1           sure on the timeline, to be honest, Mr. Bolton,  
2           on the spreadsheet. I think that came sometime  
3           after that. And that was as a result of this  
4           information that one of the investigators -- and  
5           I won't name him for security reasons, but I  
6           know that put a spreadsheet together. Now,  
7           whether that was proactive as a result of  
8           [indiscernible].

9           Q    You certainly -- sorry, Mr. Alderson. Did I cut  
10           you off?

11           A    Yes. Sorry, I'm having some difficulty here.

12           Q    I'm just going to summarize this because we're  
13           running short of time. But you certainly took  
14           that information about the spreadsheet very,  
15           very seriously and you indeed commented on it in  
16           your report to Mr. Kroeker and Mr. Lightbody and  
17           Mr. Desmarais; is that correct?

18           A    I'm not sure if [indiscernible].

19           Q    You were shown some documents --

20           A    May have [indiscernible]. Yeah, that  
21           document -- I mean, we had done our own  
22           analysis. The analysis -- I mean, as soon as we  
23           got that information, I -- after my conversation  
24           with Jim and Brad passed one of the analysts to  
25           do information, but in relation to this

1 spreadsheet, I'm not sure if I referenced that  
2 in the report. If I have, I have. I obviously  
3 haven't seen it here, but I can't be certain of  
4 that.

5 MR. BOLTON: I'm just going to refer to,  
6 Mr. Commissioner, to exhibit 835 that I believe  
7 was referred to by Mr. Butcher in his  
8 cross-examination of Mr. Alderson. I wonder if  
9 I could have that document up, in particular on  
10 page 6 and 7 of that document.

11 Q This is your response to the report by  
12 Mr. German. Do you recall giving evidence about  
13 that earlier, Mr. Alderson?

14 A Yes. Yes, Mr. Bolton.

15 Q I just want to refer to the final comments that  
16 you made there because I think they possibly  
17 bear some emphasis. You said:

18 "There needs to be accountability for  
19 allowing proceeds of crime to enter BC  
20 casinos on a magnitude to which it has  
21 been articulated in this report. I feel  
22 the copy of the report I have reviewed is  
23 reasonably accurate and objective.  
24 However, as noted above, while I feel  
25 there is justifiable criticism of the

1 overall industry, there is little mention  
2 of the enormous change since 2015. That  
3 may seem self-serving, but downplaying it  
4 does a disservice to the people at BCLC  
5 and GPEB who drove and created change  
6 under extremely trying circumstances and  
7 risked much."

8 Does that -- is that an accurate expression of  
9 your views at the time?

10 A Yes.

11 Q And amongst the people at GPEB that you're  
12 referring to there, I take it that Mr. Meilleur  
13 would be one of those people.

14 A Yes.

15 MR. BOLTON: Thank you, Mr. Commissioner. Those are  
16 the questions I have for Mr. Alderson.

17 THE COMMISSIONER: Thank you, Mr. Bolton.

18 I'll now turn to Mr. Jaffe on behalf of  
19 Mr. Alderson, who has been allocated 25 minutes.

20 MR. JAFFE: Thank you, Mr. Commissioner. I will give  
21 you a heads up that I'm hopeful I can complete  
22 my questions within the 25 minutes, but there  
23 have been numerous new documents that just  
24 surfaced this week covered by some of my friends  
25 earlier, so I'll do my best. But if I could

1                   have some indulgence --

2           THE COMMISSIONER: You'll certainly have leeway,

3                   Mr. Jaffe.

4           MR. JAFFE: Thank you. Thank you, Mr. Commissioner.

5           **EXAMINATION BY MR. JAFFE:**

6           Q     Mr. Alderson, I just want to ask you about some  
7                   of your evidence that you gave earlier to  
8                   Mr. McFee. You were speaking about your  
9                   relationship with Mr. Lightbody, and he was  
10                  putting to you some documents that seem to some  
11                  degree downplay, perhaps, what you've said were  
12                  your concerns, and one of the things you said  
13                  and weren't able to sort of expand on was that  
14                  Jim knew all about bags of cash coming in and  
15                  that what you were telling him in these memos  
16                  that you were shown or at least suggesting that  
17                  Jim had some background in terms of his  
18                  knowledge about these bags of cash coming in.  
19                  Can you elaborate on that.

20          A     Yes, I mean, we were making change in -- the  
21                  time I was as a director I felt we were moving  
22                  forward, and I was trying not to rock the boat  
23                  too much because I believe we were actually  
24                  making some good progress. But I always felt  
25                  that -- you know, and I think the last lawyer

1 touched on that in my report, that there were  
2 bags and bags of cash coming in for years, and,  
3 I mean, this was not unknown. And I recall, and  
4 I think it's in 2012, there was a board meeting,  
5 and they took a video clip of one of the bags of  
6 cash coming in and put a music track to it  
7 because it was so comedic because the money was  
8 so heavy. And so that was -- the board knew  
9 about it. Everybody knew about it. I mean, it  
10 was -- it's not a secret.

11 And so I think that, you know, while great  
12 change is being made, and I'm super supportive  
13 of the people that are making those changes, it  
14 doesn't change the fact that it took to -- a  
15 police investigation of concrete evidence before  
16 the industry would sort of change tack. And  
17 that's -- that's a fact. That's -- there's a  
18 chronology there. And so that's -- you know, I  
19 always had issues with that. I've been  
20 consistent with that from day one.

21 Q Okay. Another thing you said to Mr. McFee, he  
22 was reminding you and you were agreeing that you  
23 had a good social relationship with  
24 Mr. Lightbody when you were leaving and at the  
25 end of your tenure there you said you felt bad



1           about it in your dealings with Mr. Lightbody and  
2           his willingness to sort of help you out, to some  
3           degree. Can you explain why you felt bad at  
4           that point.

5           A     I mean, you know, what I -- when I sort of I  
6           guess was blowing the whistle in 2017, it was a  
7           significant for me in my life. It has changed  
8           my life dramatically. And anyone that's  
9           experienced grief, you know, there are many  
10          stages of grief, and I think I went through that  
11          process and I've gone through that process. And  
12          some of it is sadness, is anger. There's all  
13          those sort of things and I went through a period  
14          of sadness in 2017. I mean, I had a team of  
15          people that I worked with. You know, this whole  
16          event has had -- you know, has been a  
17          significant negative impact most of the time on  
18          my life. But I also -- you know, I get on with  
19          most people, and I got on with Jim. I mean, we  
20          shook hands at the end of my resignation and his  
21          last words were, don't be a stranger. It was  
22          not a -- it was an amicable departing regardless  
23          of what I did. And so it was -- you know, I  
24          have -- I don't wish harm on Jim or anybody.

25          Q     Okay. Fair enough. I want to read to you some

1 of the notes I took from, some of the response  
2 you were giving in response to Mr. Smart's  
3 questions yesterday. He was exploring with you  
4 why you were frustrated on the subject of your  
5 motives for, I guess, becoming a whistle-blower,  
6 to use that term. And as I've noted your  
7 evidence you said, I came to Vancouver, you had  
8 lived in Amsterdam, you saw the city  
9 deteriorate. You referred to gangbangers and  
10 lack of attention to criminality. You had high  
11 hopes that something would happen. You saw  
12 nothing being done. You went on to talk about  
13 Amsterdam for two years and that you had been  
14 down to Hastings and Main and you found it  
15 disgusting that nothing was going on. You were  
16 frustrated that government was trying to control  
17 the narrative. So these were all the comments  
18 that you were making to Mr. Smart yesterday.  
19 Can you explain the context of those kinds of  
20 comments how those were factors in your decision  
21 to essentially become a whistle-blower, what was  
22 going on with regard to those concerns?

23 A Well, I mean, as I -- as I gathered more  
24 information, I guess, in the AML world and  
25 became more involved, you know, I could see

1           definitive links between what had happened in  
2           the casinos and some of the individuals that  
3           were there, major, major real estate  
4           transactions. You now, there were connections  
5           to local politicians who were in some cases  
6           legal representation to some of these organized  
7           crime figures. And, you know, police voiced  
8           their frustration to me as well. I mean, there  
9           has been a lack of any meaningful prosecutions  
10          in Canada. But as a person growing up there and  
11          seeing -- as I said, when you have a thousand  
12          people dying a year of opioid overdoses and a  
13          lot of that's coming into the country, you've  
14          got professional people that can't afford to buy  
15          property. I just think that the government has  
16          failed the people of British Columbia and that  
17          there is a -- there is a -- some people got very  
18          rich, particularly in property investment. I  
19          mean, one of the people we haven't heard from in  
20          this whole thing are people like Bob Rennie who  
21          made comments about there's no doubt that they  
22          were targeting foreign money. And I think that  
23          was a big part of the decision. And at the end  
24          of the day, I couldn't with good conscience have  
25          all this information. I can't unknow what I

1 know. And that was really why I did it.

2 Q When you said, I was frustrated that government  
3 was trying to control the narrative, can you  
4 expand on that.

5 A Sure. So from -- what I'm more frustrated and  
6 felt for BCLC was that BCLC and GPEB were in the  
7 same ministry and that when it -- they were  
8 unable to tell their story in a lot of cases. I  
9 mean a lot of these revelations of the good  
10 things that they were doing is probably the  
11 first time people publicly have heard them  
12 because they were downplayed. And, you know,  
13 the current government I believe wanted to blame  
14 everything on the previous government. And I've  
15 provided evidence that some of the things going  
16 on now from a regulatory point of view are still  
17 taking place. I think that they were trying to  
18 shape the narrative.

19 Q Okay. Initially when you decided to leak  
20 information to Sam Cooper you were doing this  
21 under some anonymity, but eventually in early  
22 2019 you came out, you emerged from that  
23 anonymity and went public with who you were.  
24 You did a W5 show documentary. Can you explain  
25 what it was that compelled you to disclose your

1                   identity publicly as the whistle-blower in this  
2                   matter? What happened?

3           A       Well, you know, when I left BCLC I had a number  
4                   of media outlets contact me directly to come  
5                   forward. I declined. I was hoping to move on,  
6                   to be honest. But I also believe -- what I was  
7                   hoping for was a -- like, was an inquiry like  
8                   Charbonneau Commission, similar to the  
9                   Charbonneau Commission.

10                   I had been to an event, I think, in 2017 or  
11                   2016. Funny enough, I think David Eby was at  
12                   the same event talking about the Charbonneau  
13                   Commission, and that's what I wanted. It seemed  
14                   after the German report, which I felt were  
15                   watered down and of what was occurring and I  
16                   didn't believe it was unwittingly at all, that  
17                   there seemed to be a reluctance for the  
18                   government to have a full-blown inquiry. And an  
19                   individual reached out to me who was in contact  
20                   with W5 and really suggested I needed to come  
21                   forward and tell the story and that way we would  
22                   drive enough people would watch that program --  
23                   it was a big enough program that that would get  
24                   enough people's interest would push forward.  
25                   And I know after W5 I think it was the city of

1 Richmond, the city of Vancouver, one of the  
2 major unions, the Green Party, all were  
3 demanding a public inquiry and the bulk of the  
4 public of British Columbia were also demanding  
5 it.

6 Q And who was it that reached out to put you in  
7 touch with W5?

8 A It was Kash Heed.

9 Q Kash Heed?

10 A Yes.

11 Q You're referring to former Minister of Public  
12 Safety and Solicitor General of BC?

13 A That's correct.

14 Q How was it that Kash Heed was able to get hold  
15 of you?

16 A Kash and my father-in-law who passed away this  
17 year, they were friends and were -- they went to  
18 the same gym in Richmond for many, many years  
19 and I had first spoke to Kash in 2017 and we had  
20 a -- I met with him on a few occasions after  
21 that.

22 Q Did -- when you said you met with him on a few  
23 occasions after that, did you discuss with Kash  
24 Heed and did he discuss with you the subject of  
25 your concerns about what brings us here today?

1                   Was that a subject of discussion between you and  
2                   Mr. Heed?

3           A       Yes. I mean the initial -- Kash had offered his  
4                   phone number to my father-in-law that I could  
5                   contact him if I wanted to discuss things, and I  
6                   did that in late 2017. I felt like I was in  
7                   uncharted waters and he was, you know, a very  
8                   experienced politician and police chief. So he  
9                   told me he rang David Eby in late 2017 and I was  
10                  [indiscernible]. And so during the course of  
11                  2018 we met in person for lunch for the very  
12                  first time. And I would meet with him on  
13                  occasion, and we certainly did discuss money  
14                  laundering in the province in general. After *W5*  
15                  some of these meetings included Fred, yes.

16          Q       Sorry?

17          A       After *W5* I was -- Kash -- actually I spoke to  
18                  him one day and he handed the phone over and it  
19                  was Fred Pinnock and Fred basically  
20                  congratulating me for *W5*. Some of the  
21                  subsequent meetings I had were with Fred, with  
22                  Kash and with both.

23          Q       Okay. So as I understand what you've said, you  
24                  had a few meetings either with Kash Heed or with  
25                  Fred Pinnock and sometimes with both of them

1                   together?

2           A     Yes.

3           Q     And in those meetings did you -- were you  
4                   discussing the subject of this inquiry and the  
5                   nature of this whole affair? Or maybe that's an  
6                   unclear question. What were you discussing with  
7                   Kash and Fred when you got together on these  
8                   occasions or either one of them individually?

9           A     I mean, sometime it was just all cop stories,  
10                   but we would talk about corruption, about, you  
11                   know, my experiences in the gambling industry,  
12                   Kash's experiences. Fred would talk about some  
13                   of his experiences as well with IIGET. Mainly  
14                   the topics that have come out that I think have  
15                   been given in evidence that were discussed.

16          Q     Did you say that putting you in touch with W5  
17                   was something that Kash Heed did, and if so, can  
18                   you explain how that happened.

19          A     Yeah. I received a phone call, I think, from  
20                   Kash that day. I was coaching tennis in  
21                   Langley. I think I was in the library at that  
22                   point. And then Kash -- we discussed that, you  
23                   know, would I be prepared to go forward on a  
24                   bigger scale, that -- but there were reasons  
25                   that seemed to be [indiscernible] for a full



1 inquiry and that was what was required. And I  
2 agreed with Kash. He said he had some contacts  
3 and that W5 was probably the right forum and  
4 would I be okay if I gave him my phone number to  
5 W5. I agreed and I got a phone call within  
6 about half an hour from the producer.

7 Q Did Kash told you why he thought it was  
8 important for you to go public with this?

9 A I believe he -- he believed there was an issue  
10 of -- certainly with money laundering in that  
11 province and criminality and this was a forum to  
12 get it out there. I mean, Kash and I had shared  
13 similar views on that.

14 Q Did he share his observations on what was or  
15 wasn't happening in Victoria from his  
16 perspective?

17 A Yes, he did. He was not a real fan of  
18 [indiscernible], but -- and the RCMP in general.  
19 He believed that there were a number of senior  
20 officers coming out of the RCMP that were  
21 holding positions in their career that were a  
22 boy's club. Those were his words. But I don't  
23 want to cast aspersions. I can't remember exact  
24 details and certainly not make any allegations.

25 Q Fair enough. Now, then in early 2019 you became

1 known as a whistle-blower, and after that  
2 publicity, as we know, eventually this inquiry  
3 was struck, and you were asked -- let me just --  
4 you were asked yesterday -- Mr. McGowan was  
5 cross-examining you on an affidavit that you  
6 delivered to the commission counsel in March or  
7 April of this year. I believe it's  
8 exhibit 1025. If we could maybe pull it up on  
9 the screen for a minute. Thank you.

10 If we could just look at paragraph 2  
11 there -- or paragraph 1. It's exhibit 499, and  
12 Ms. Mainville asked you about that, and we don't  
13 need to pull up that exhibit just yet. But you  
14 know that's the -- that was a letter dated by  
15 you October 3rd, 2017, which you say was never  
16 sent but it had --

17 A No.

18 Q -- shown up in the documents in this matter.  
19 Are you able to explain how it is that others  
20 got hold of that letter which you say was never  
21 sent?

22 A I don't know how they got a hold of it. I  
23 believe it's probably been retrieved from the --  
24 from my computer. Possibly out of the  
25 [indiscernible].

1           Q     Okay.  What happened to your computer?  I've got  
2                   a bit of an echo here.  You were -- as I  
3                   understand it around about early October 2017  
4                   you went off on a leave from your office.  Did  
5                   you leave your computer and notes and other  
6                   materials at your office when you left?

7           A     No.  All my materials I left, other than -- I  
8                   had my laptop with me.  That's my recollection.  
9                   And my phone.  They were both remotely locked by  
10                  BCLC on that day, and they were collected from  
11                  me that evening.

12          Q     I'm sorry, what was that last bit?

13          A     They were collected from me that evening by the  
14                  Vice President of Human Resources from  
15                  [indiscernible].

16          Q     Okay.  So the day that you actually left,  
17                  physically left your office, that material  
18                  was -- the possession of it was taken by who?

19          A     By BCLC.

20          Q     Okay.  And that letter --

21          A     Jamie Callahan.  Jamie Callahan was the HR at  
22                  the time, yep.  From there, I don't know what  
23                  the chain of custody was.

24          Q     Fair enough.  Can we -- just looking, then, at  
25                  this exhibit, which is your affidavit, you were

1           asked yesterday about paragraph 38. Maybe we  
2           could have a look at that. And Mr. McGowan  
3           asked you about that and suggested that you were  
4           implying that you were given some information in  
5           a way which you've suggested that Mr. McGowan's  
6           view of that paragraph was incorrect, but I just  
7           want to ask you. Mr. McGowan was talking about  
8           initially a meeting between yourself and  
9           commission counsel in early October 2019, and he  
10          put to you the proposition that you had the  
11          opportunity to apply for participant status and  
12          therefore, referring to that early meeting, this  
13          paragraph couldn't be true. Do you remember  
14          those kinds of suggestions being put to you?

15          A     Yes.

16          Q     Now, you had -- you're aware that on October the  
17          25th, 2019, Mr. Commissioner made a ruling, it's  
18          ruling number 3, applications for standing, in  
19          which he ruled that -- he ruled that in  
20          connection with Mr. Pinnock's application for  
21          standing, he ruled that -- and I'm going to read  
22          a small bit to you and then ask you if you had  
23          this knowledge at the time that you may have had  
24          another meeting with Fred Pinnock in the early  
25          part of 2020. I know this is a terribly



1                   used for money laundering, and whether and  
2                   how government or law enforcement agencies  
3                   addressed that issue, [his] interests are  
4                   aligned with those of the Commission  
5                   itself."

6                   So did you -- when you understood that you  
7                   wouldn't be a participant, did you understand  
8                   that the commission had already ruled as it did  
9                   and expressed those principles with respect to  
10                  Fred Pinnock's application for standing?

11                A    I likely did, yes.

12                Q    Boy, that was a terribly disjointed question.  
13                    Oh, by the way, just with respect to  
14                    paragraph 38, Mr. McGowan was putting to you an  
15                    early October meeting, but you had other  
16                    meetings with -- including early 2020 with the  
17                    commission as well; right?

18                A    I had two meetings -- in-person meetings, that's  
19                    correct.

20                Q    Right. And the second one was after the  
21                    Commissioner had already ruled on Fred Pinnock's  
22                    application for standing where the commission  
23                    ruled that there was no need to level the  
24                    playing field with the whistle-blowers because  
25                    it's not an adversarial process. So by the time

1           you met with the commission counsel the second  
2           time, you already knew that that was the  
3           approach the commission was taking; correct?

4           MR. MCGOWAN: With respect, my friend's question  
5           doesn't accurately set out what was articulated  
6           in the ruling.

7           MR. JAFFE: Well, I'll let the ruling speak for  
8           itself.

9           MR. MCGOWAN: I'm not sure what value there is in  
10          reading from a standing ruling for some other  
11          participant that doesn't involve Mr. Alderson in  
12          the hearing that he wasn't at, but if he's going  
13          to do it, then he should at least articulate  
14          what the ruling actually says in my submission.

15          MR. JAFFE: Well, let me put a cap on it here. The  
16          ruling will speak for itself. What I thought  
17          was unfair and the reason I'm putting this to  
18          the witness is that I can only assume it was  
19          unintentional when Mr. McGowan put to the  
20          witness that at the time Mr. Alderson understood  
21          that he wouldn't be a participant, that was  
22          after the ruling that the commission made on  
23          Fred Pinnock's standing and expressed -- and  
24          expressed the principles that it sets out in  
25          black and white in the ruling, which is there's

1                   no need to level the playing field. So that's  
2                   what I'm putting to the witness.

3           MR. MCGOWAN: That's not what I put to the witness,  
4                   with the greatest of respect, Mr. Commissioner.  
5                   The proposition that I put to the witness was  
6                   that when he met with commission counsel your  
7                   September ruling has indicated that he was  
8                   entitled to a hearing, an oral hearing if he so  
9                   chose. And that's an accurate statement, and  
10                  the witness responded to it, and Mr. Jaffe has  
11                  confused the matter and he's referring to a  
12                  ruling that wasn't part of my question.

13          THE COMMISSIONER: All right. Well, fair enough. I  
14                  think the difficulty is, Mr. Jaffe, we're  
15                  getting caught up in a morass of detail that I  
16                  can't see as very germane to --

17          MR. JAFFE: Fair enough.

18          THE COMMISSIONER: -- the very significant body of  
19                  evidence that Mr. Alderson has given. And I  
20                  wish you would have [indiscernible] yourself on  
21                  what is proper examination.

22          MR. JAFFE: Yes. I'm sorry, Mr. Commissioner. Did  
23                  you say re-examination? This is my first.

24          THE COMMISSIONER: I didn't say re-examination.

25          MR. JAFFE: I'm sorry, it cut out.



1 THE COMMISSIONER: I said "proper examination."

2 MR. JAFFE: Oh, thank you, thank you.

3 Q Looking at your exhibit -- we're still at the  
4 affidavit, 1025, exhibit 1025. If we can take  
5 you down to paragraph 40 in that, please. Yes.  
6 There was an objection earlier on with respect  
7 to -- or at least an exchange between counsel as  
8 to the use of exhibit R, and perhaps I can take  
9 you over to exhibit R in that affidavit,  
10 Mr. Alderson. I'm going to ask you some  
11 questions about why you included that in your  
12 affidavit. If I could -- it's at -- there we  
13 go.

14 MR. MCGOWAN: I'm going to suggest that this not be  
15 streamed on the livestream. There's been  
16 submissions about it. There is -- it's a  
17 contentious exhibit, but I'll certainly leave  
18 that in your hands, Mr. Commissioner. And I'll  
19 also ask that you consider, Mr. Commissioner,  
20 whether the line of question that my friend is  
21 pursuing is -- falls within the grant of  
22 standing this client is sort of material to the  
23 mandate of the commission, and whether it's  
24 really an issue that is appropriate for  
25 Mr. Alderson through his counsel to be

1                   advancing.

2                   THE COMMISSIONER: I'm not at all sure what this  
3                   exhibit is relevant to, but I probably should  
4                   hear from Mr. Jaffe what he says it represents.

5                   MR. JAFFE: If we could scroll up a little bit so the  
6                   witness can see what it is that he appended to  
7                   his exhibit -- to his affidavit.

8                   Q    This purports to be an email between Samuel  
9                   Taylor and Fred Pinnock dated December 16, 2019.  
10                  Do you see that, Mr. Alderson?

11                  A    Yes, I do.

12                  Q    Why did you think that was important to  
13                  exhibit -- to an affidavit that you were sending  
14                  to commission counsel?

15                  A    Because -- well, initially I provided a redacted  
16                  copy of this to the counsel in 2019, but to me  
17                  it's clear evidence of what is occurring at that  
18                  time in real time in the casino industry. A lot  
19                  of the focus seems to have been on what wasn't  
20                  done by BCLC and, you know, over a certain time  
21                  period, but this related to -- at that time was  
22                  real time with a new government in charge and  
23                  it's -- it corroborates a lot of what I have  
24                  given in evidence of what was seen.

25                  Q    Who did you understand Samuel Taylor to be?

1           A     A GPEB investigator.  So he apparently had  
2                     worked for Fred Pinnock at some point and had  
3                     moved to GPEB and he was putting down his  
4                     experiences working for GPEB.  And none of it  
5                     came as a great surprise to me when I read  
6                     through his email.  And I think it outlines  
7                     clearly what he was seeing in the industry.

8           Q     Now --

9           A     And which was contrary to what we were hearing  
10                    in the media.

11          Q     If I could take you to the second page of that  
12                    email, and I'm going to read a portion to you  
13                    and ask you if this was something you read and  
14                    was a reason you exhibited this to your  
15                    affidavit.  Now, this is from, as you've  
16                    described a GPEB investigator, second paragraph  
17                    who says:

18                    "There seems to be several indications  
19                    that money laundering is occurring within  
20                    the passive complicity at least of casino  
21                    operators, but when I have brought some of  
22                    these topics up to our executive  
23                    management suggested actions --"

24          THE COMMISSIONER:  Sorry.  I'm just going to  
25                    interrupt for a second, Mr. Jaffe.  I mean, this



1 conversation. I mean --

2 MR. JAFFE: Mr. Commissioner, most of the evidence  
3 you've got isn't sworn. It's the -- these are  
4 notes and emails and documents that have been  
5 put into evidence and marked as exhibits in this  
6 matter.

7 THE COMMISSIONER: I'm not going to parse through the  
8 evidence with you, Mr. Jaffe, but what I'm  
9 telling you is that this has very little  
10 probative value, as I see it. And you've got  
11 25 minutes. You've already taken up more than  
12 that time, and you've got to move along and get  
13 this done.

14 MR. JAFFE: If I understand what you're saying,  
15 Mr. Commissioner, the communications between a  
16 GPEB investigator and the former head of IIGET  
17 as to complicity or turning a blind eye to money  
18 laundering is not irrelevant, I will move on.

19 MR. MCGOWAN: Mr. Jaffe, I'm going to invite you to  
20 move on. The Commissioner had made his views  
21 clear on this --

22 MR. JAFFE: Yes, I understand that.

23 Q There was an email put to you yesterday or there  
24 was a collection of emails put to you by  
25 Mr. McGowan yesterday that we've provided to

1                   commission counsel. I wonder if that document  
2                   could be put up on the screen.

3           A       Mr. Jaffe, just to add to this document, I guess  
4                   my expectation at the time by providing this to  
5                   the commission in 2019 was that Mr. Taylor would  
6                   be asked to give evidence.

7           THE COMMISSIONER: Well, he hasn't been.

8           THE WITNESS: Okay.

9           MR. JAFFE:

10          Q       Mr. Alderson, does it concern you that a GPEB  
11                   investigator who has said what he has said in  
12                   that email has not even been called as a  
13                   witness? Does that concern you?

14          MR. MCGOWAN: I object to the question. It's  
15                   immaterial.

16          THE COMMISSIONER: It is.

17          MR. MCGOWAN: And inappropriate in the context of the  
18                   comments you've made, Mr. Commissioner.

19          THE COMMISSIONER: I know. Just carry on, Mr. Jaffe.  
20                   Ask your next question.

21          MR. JAFFE:

22          Q       Yeah. We've got that document now. This is a  
23                   compilation of emails that you've received by an  
24                   anonymous author identifying as YR\_Mate. Do you  
25                   see those emails in front of you, Mr. Alderson?

1           A     Yes, I do, Mr. Jaffe.

2           Q     And maybe we can -- we can scroll down to the  
3                 bottom. I think chronologically the first one  
4                 is at the bottom of this document. You started  
5                 getting emails from this party, this anonymous  
6                 party, on September 10th. Do you see that one  
7                 there --

8           A     I do.

9           Q     -- "hope all is okay with you"? Did you have  
10                any idea who that person was?

11          A     No.

12          Q     Okay. Asking for your address. Was that a  
13                concern of yours that somebody who you didn't  
14                know was asking for your address?

15          A     Absolutely.

16          Q     Can you go up a little bit to the next one.  
17                There's an email back from you, I believe. It  
18                says:

19                        "Hi mutual friend of R. No address due to  
20                        concerns."

21                What concerns?

22          A     Safety concerns. It's one of the reasons I  
23                moved to Australia.

24          Q     Safety concerns for what reason?

25          A     Well, my family were placed on a police

1 high-response list at the end of 2015. I mean,  
2 this is an inquiry into money laundering, and  
3 some of the individuals involved are related to  
4 organized crime. I mean, if I tell anybody  
5 about what's going on, the first thing they ask  
6 me is are you safe.

7 Q Thank you. Okay.

8 A Yep.

9 Q So there's an email above that if you can scroll  
10 up a bit so we can see the date of that. That's  
11 the next one is -- no, just a little up. There  
12 we go. September 12th, "hi Ross" again. Did  
13 you get that and there's reference to some  
14 knowledge about you at a tennis clinic. Do you  
15 see that?

16 A Yes.

17 Q This was as you see a further attempt to get  
18 your address. Did that concern you at all?

19 A Yep, absolutely. I mean, if it was legitimate  
20 and they had wanted to share documents they've  
21 clearly got my email address, so why wouldn't  
22 they.

23 Q Let's go up to the next one, then. Here we are  
24 November 19th, 2020:

25 "Hi Ross. Hope you're keeping well."



1                   Even at this point you have no idea who this  
2                   person is? Is that right?

3           A       No. No idea.

4           Q       He talks about the fake news and he talks  
5                   about -- or he or she or whoever they are or it  
6                   is:

7                   "The way they are attacking the other  
8                   whistle-blower Pinnock is gross. Saying  
9                   things like he was destroyed by Heed's  
10                  lawyer. The guy is just trying to tell  
11                  what he knows."

12                 When you were reading that, was that troubling  
13                   you at all or unsettling you, or what was your  
14                   thinking at that point?

15           A       Yeah, it was. It was troubling.

16           Q       Okay. Let's go up to the next one, then. This  
17                   is another one. November 25th:

18                   "Hey Ross. Don't think anyone is talking.  
19                   Everyone says the media is toxic waste."

20                 And goes on and says there:

21                   "One of the guys he asked to rat on you,  
22                   it's the number he's asking people to call  
23                   or text any info about you acting weird or  
24                   crazy."

25                 And there's a phone number there. Do you know



1                   Think back to the day you got your  
2                   Canadian citizenship and the celebration  
3                   with the cake everyone arranged for you.  
4                   Think of everyone gathering around you.  
5                   We're all so proud of you. Think back on  
6                   how the day was a demonstration of all the  
7                   support and love you enjoy. Think of the  
8                   faces of each person that was there  
9                   celebrating with you in genuine happiness  
10                  for you. Think of the deep trust we have  
11                  in you and how we look up to you. None of  
12                  this has changed despite the path you have  
13                  been led down by others."

14                  Stopping there for a minute. Do you have any  
15                  idea what that person is talking about?

16                  A    No. No, clearly they think that I'm doing  
17                  somebody's bidding.

18                  Q    Was there a Canadian citizenship celebration  
19                  with a cake?

20                  A    There was. At BCLC office. At BCLC office in  
21                  Vancouver.

22                  Q    And who was there?

23                  A    A number of BCLC staff were there.

24                  Q    So what did that tell you in your mind as to the  
25                  possible source of this -- these anonymous

1 emails?

2 A Quite possibly someone from BCLC.

3 Q Okay. And then it goes on to say:

4 "Please be the professional moral ethical  
5 leader you are capable of and were before  
6 over so many years with us."

7 Do you see that?

8 A Yes.

9 Q And this is the part I want you to focus on:

10 "In a few years your daughter will be able  
11 to form her own judgment. She will know  
12 when the truth is being told and when  
13 things simply don't ring true. She will  
14 know in her heart. Please think of your  
15 daughter. Please tell the truth."

16 How did it affect you when you're being told  
17 about your daughter in the context of this?

18 A I find it very upsetting.

19 Q Why was that?

20 A And unsettling. Well, to bring my  
21 seven-year-old daughter into this.

22 Q What did you understand this to be telling you  
23 when you got this? Just a week ago.

24 A Tell them what they want to hear. Think of my  
25 daughter. I don't know what -- how to interpret

1                   it, quite frankly. I think the fact they even  
2                   mentioned my daughter is sickening.

3           MR. JAFFE: Could we have that marked as an exhibit,  
4           Mr. Commissioner.

5           THE COMMISSIONER: Yes. All right. That will be the  
6           next exhibit. That collection of letters.

7           THE REGISTRAR: Exhibit 1034, Mr. Commissioner.

8           THE COMMISSIONER: Thank you.

9                   **EXHIBIT 1034: A collection of emails sent from**  
10                   **YR\_Mate to Ross Alderson between 2020 and 2021**

11          MR. JAFFE: Thank you, Mr. Commissioner. For my --  
12                   for indulging me. I'm not that far from  
13                   finishing, I hope.

14          THE COMMISSIONER: All right.

15          MR. JAFFE:

16          Q     A number of times Mr. Alderson in the evidence  
17                   that you were giving in response to a number of  
18                   lawyers you've referred to your notes and that  
19                   it's in your notes and I want to now give you  
20                   the chance to go to your notes and make  
21                   reference to certain specific notes that relate  
22                   to some of the evidence you were trying to give.  
23                   I think it's found at BCLC1520. And just a  
24                   starting point if we could call that up on the  
25                   screen, please. If we could go to page 71. And

1 I know this is a bit disjointed, but I want to  
2 make -- I want to put it in the context of some  
3 of the questions Mr. Smart was asking you.

4 You recall at the end of his examination of  
5 you he was asking you about Gordon Friesen  
6 whether you liked him and so forth. And you had  
7 given some evidence about a statement to the  
8 effect that it's all about the revenue. Do you  
9 remember giving that evidence yesterday?

10 A I did, yes.

11 Q Now, just before we look at this note, and I've  
12 just taken you to page 71, because you might  
13 want to -- is this a page from -- many pages of  
14 your handwritten notes?

15 A These are my handwritten notes from my notebook.  
16 I believe it's April the 18th two thousand  
17 and --

18 Q Okay. Are you able -- did you make those notes  
19 contemporaneously or roughly within a day or two  
20 of these events that you're recording?

21 A I believe I made them the same day as the  
22 meeting I'm referring to, yes.

23 Q And can you find -- can you find anything in  
24 that note that confirms that the statement about  
25 "it's all about the revenue" was made by

1 Mr. Friesen?

2 A Yes. At the very end of those notes. He's  
3 mentioned a couple times in there, but:

4 "Friesen said he had argued on our behalf  
5 and that his hands were tied. It's all  
6 about the revenue."

7 Q "All about the revenue." So if we could go back  
8 to page 68, please, in those notes. The same  
9 exhibit. Now, can you explain the significance  
10 of these notes starting at page 68,  
11 Mr. Alderson.

12 A Yes, these notes relate to the meeting that I  
13 was examined on yesterday by Mr. McGowan that in  
14 2012 these are the notes that I mentioned in my  
15 examination and that I had a chance to review  
16 over the last couple of weeks. These are the  
17 notes taken the same day, dated and time of the  
18 meeting.

19 Q Now, what do they notes -- you were being  
20 challenged with respect to your memory of the  
21 existence of a meeting and what was said at the  
22 meeting. Do these notes corroborate any point  
23 that you were being challenged on with respect  
24 to the meeting and what was said?

25 A I think these notes outline exactly who was

1                   there. I mean, they've been corroborated in  
2                   part anyway by -- to the other investigators,  
3                   Stone Lee and Steven Beeksma, that were in that  
4                   meeting. My detailed notes, there's four pages  
5                   of notes I took the same say of exactly what was  
6                   said and occurred in that meeting.

7                   MR. JAFFE: I wonder if you could scroll down a  
8                   little bit to the next page, Madam Registrar.

9                   Q     So for that particular meeting, if we scroll  
10                  right down to page 71, I think all of your notes  
11                  reflect that one meeting on --

12                 A     That's correct.

13                 Q     Okay.

14                 A     It was -- it was a very pivotal meeting.

15                 Q     Why do you say it was pivotal?

16                 A     Well, I mean, it really -- as I said to you  
17                  yesterday, I was very disillusioned with -- I  
18                  mean, the meeting contained the Vice President  
19                  of Corporate Compliance, Director of Compliance,  
20                  Manager of Investigations and Assistant Manager  
21                  of Investigations, and we -- the investigators  
22                  that they were reprimanded on what I felt was  
23                  doing [indiscernible] and were told that it's  
24                  all about the revenue. It implicates that there  
25                  were service providers that made phone calls



1                   to -- that there were revenue pressures at that  
2                   time. And it really formed -- helped shape and  
3                   form my feelings and opinions in moving forward.

4           Q       Okay.

5           A       And probably even mistrust I had for a number of  
6                   people within the industry. I mean, these  
7                   people are all former police officers.

8           Q       Okay. Now, I want to take you to another few  
9                   pages of your notes. If I could go to page 31  
10                  of that same exhibit, please. There's reference  
11                  to July 5th and July 6th events in your notes.  
12                  Can you explain the significance of those events  
13                  as you've noted here?

14          A       Sure. As far back as 2011, July the 5th, we  
15                  were having meeting with the service provider on  
16                  identifying patrons in the VIP room. There were  
17                  numerous incidents where people were not  
18                  identified and were involved in suspicious  
19                  transactions. And if you go through my notes in  
20                  that period, that theme of having meetings with  
21                  the service provider occurred numerous times and  
22                  the highlight -- I made a series of  
23                  recommendations to Peter German in 2017 and one  
24                  of them was for mandatory identification of  
25                  individuals in the high-limit room. So for six

1                   years it was not done, and there seemed to be a  
2                   reluctance to do that for whatever reason. July  
3                   the 6th was a meeting I had with the GPEB  
4                   investigator and it was involving a buy-in  
5                   transaction where that exact thing happened  
6                   where some individual bought in for \$100,000, if  
7                   I recall correctly, and when the chips were  
8                   brought over to the table, they were put in  
9                   front of a third party who they did not  
10                  identify, which is contrary to federal  
11                  legislation. It's an indicator of money  
12                  laundering. The person has not been identified.  
13                  That was done in front of a dealer, in front of  
14                  a dealer supervisor. I raised that to GPEB, who  
15                  were responsible for licensing, for registration  
16                  of gaming workers and said basically here you  
17                  go, this is your -- this is in your realm here  
18                  to do something about that. And the following  
19                  day when I took it to Mr. Barber, his comment  
20                  was that senior management are reluctant to  
21                  pursue this. And, again, it formed my opinion  
22                  at that time that nobody wanted to address these  
23                  issues. This is coming from government. And  
24                  there it is in my notes. And I believe there's  
25                  probably an iTrak report at that time that

1 contains a lot of that information to  
2 corroborate that.

3 Q Could I now take you to page 49 of that same  
4 exhibit. Mr. Alderson, I think there was  
5 something on page 49 that you wanted to comment  
6 on.

7 A Yes. To give you an indication of the type of  
8 people that were in the casino at the time,  
9 there's -- it starts January the 6th  
10 surveillance with a Mr. Dempsey, who was a  
11 surveillance operator at the time, re Tam K.C.,  
12 that's Wok Chan Tam, who is -- well, has known  
13 criminal ties. I think I can say that publicly.  
14 And he arrived at the casino, he went to the  
15 Salon Privé, which is the high-limit room there,  
16 which again was supposed to be the patrons had a  
17 card, an access card in their name to enter.  
18 That individual knocked on the door and was let  
19 in by guest services. I believe at that time he  
20 was a banned person as an undesirable. And he  
21 was allowed to gamble. I escorted Mr. Wok Chan  
22 Tam off the premises.

23 Q Page 51 of that same exhibit, please. Refers to  
24 a --

25 A Yes, at the bottom there's another further

1 meeting on Friday, January 20th, at 1500 hours.  
2 Meeting with Rick Duff and the director of  
3 surveillance Pat Ennis regarding identification  
4 of patrons in the VIP room.

5 Q Now, what's the significance of that?

6 A Well, again, it shows that we were actively  
7 asking them to identify all the patrons in the  
8 VIP room because of concerns about some of the  
9 individuals that were in there that were  
10 potentially cash facilitators, they were linked  
11 to crime and I don't think that's a stretch when  
12 you look at the previous example of Mr. Kwok  
13 Chan Tam. Again, if you go through many of my  
14 notebooks there are those continued  
15 conversations about [indiscernible] and that was  
16 not -- for whatever reason there was reluctance  
17 to do that.

18 Q Okay. There was reluctant to do that. Who was  
19 expressing reluctance to do that?

20 A Well, the service provider. At that point the  
21 River Rock Casino. That they -- I mean,  
22 these -- we were asking them to identify these  
23 individuals and even I recall in 2015 just  
24 before I became director, a heated conversation  
25 between the manager of investigations Kris Gade

1                   and the head of compliance at River Rock about  
2                   identifying and their excuse was privacy. I  
3                   just -- to me it just didn't fly.

4           Q       Okay. Perhaps I can now show you page 64 of  
5                   your notes. There's a reference to a Chang  
6                   Sheng Wang and can you explain the significance  
7                   of these notes?

8           A       That is the -- I believe that is the gentleman  
9                   involved in the refining incident of the  
10                  \$200,000 buy-ins of [indiscernible] bills that  
11                  ultimately led to the meeting on April the 18th.  
12                  This was the individual I believe that I  
13                  interviewed at the time.

14          Q       Okay. That you've given evidence about earlier.

15          A       Yes, I believe that's the individual.

16          Q       Okay. Now --

17          A       Sorry, Mr. Jaffe, just to get on to that. I  
18                  think at the bottom there during the  
19                  conversation it reminds me that he didn't want  
20                  to talk to me because he said he had to go by  
21                  2 o'clock, and he actually bought in at a  
22                  quarter past 1:00, I think, so it didn't really  
23                  fly when he bought in for 100,000 when he needed  
24                  to be somewhere in 45 minutes. That just didn't  
25                  seem to make any sense.

1           MR. JAFFE: Okay. Now, Mr. Commissioner, I don't  
2           know the status of the notes that we've  
3           reviewed. If document BCLC1520 is marked as an  
4           exhibit proper yet, or if not, I would submit  
5           that Mr. Alderson's notes, handwritten notes of  
6           what took place be an exhibit in these  
7           proceedings.

8           MR. MCGOWAN: Well, Mr. Commissioner, the notes  
9           covers a very long period of time, includes  
10          notes about many incidents about which  
11          Mr. Alderson did not testify, is replete with  
12          information that would have to be redacted were  
13          they marked. The witness has referred to the  
14          notes and given evidence to you about them. I  
15          think there are, in my respectful submissions,  
16          two possibilities. One is that you take the  
17          evidence -- the evidence that is -- is relevant  
18          is the evidence of Mr. Alderson as informed by  
19          his notes, which you have before you. If you  
20          feel having the notes themselves before you  
21          would be of assistance, then in my respectful  
22          submission, only those entries that Mr. Alderson  
23          referred to should be marked.

24          MR. JAFFE: In my respectful view, Mr. Commissioner,  
25          that would be quite unfair. These are notes

1           that cover a substantial period of time on a  
2           substantial number of matters, and in the course  
3           of my very, very limited chance to direct my  
4           client to a few portions, he ought not -- this  
5           commission ought not to be left without the rest  
6           of these notes because they -- his evidence is  
7           they were taken contemporaneous with the events  
8           that he's noted. It may well be probative on  
9           matter beyond what he's been able to testify in  
10          the very limited time we've had.

11          MR. MCGOWAN: Well, let me address that,  
12          Mr. Commissioner. Mr. Jaffe talks about the  
13          limited time he had he was given. He asked for  
14          an allocation. He was given the allocation he  
15          asked for. He's been given leeway to go beyond  
16          that allocation, and in my respectful  
17          submission, nothing has been done to constrain  
18          his examination of his client.

19                 On the issue of the notes, Mr. Commissioner,  
20          they're cryptic entries in many cases.  
21          Sometimes they're more longhand; sometimes  
22          they're more cryptic. But they're of, in my  
23          respectful submission, limited or no probative  
24          value to you without the explanation of what  
25          they mean by the author, and they ought not to

1                   go into the record to the extent they were --  
2                   except to the extent they were spoken to.

3           MR. JAFFE: Mr. Commissioner, I can say it was  
4           unanticipated that commission counsel themselves  
5           wouldn't take the witness through such obviously  
6           relevant material. And that it's left to me to  
7           put before you notes that are clearly probative.  
8           These are the notes of Mr. Alderson throughout  
9           the time he was there recording  
10           contemporaneously the events that are the  
11           subject of this inquiry and that commission  
12           counsel would seek to keep them out is really  
13           quite surprising. One might think he could have  
14           covered them with the witness.

15          MR. MCGOWAN: Well, if Mr. Jaffe had been paying  
16          attention, he would have seen, Mr. Commissioner,  
17          that I canvassed a number of matters that are  
18          set out in the notes. I asked Mr. Alderson his  
19          recollection of those, and his recollection was  
20          informed by his review of the notes. That's the  
21          proper way to examine a witness. It's the way  
22          it's done in almost every trial, and if  
23          Mr. Jaffe has a different approach, it's one I  
24          don't understand.

25          MR. JAFFE: Well, I don't know if I -- I won't get



1                   into mud slinging here, but these are business  
2                   records taken in the course of Mr. Alderson's --  
3           THE COMMISSIONER: They're not business records,  
4           Mr. Jaffe. They're notes. The notes can be  
5           used to refresh his memory. You have refreshed  
6           his memory from the notes, and to the extent  
7           he's testified as to his refreshed memory from  
8           the notes, that's evidence before me. I'm quite  
9           content, quite satisfied that it's appropriate  
10          to mark those notes that you've taken him to as  
11          part of the aide-mémoire which has refreshed his  
12          memory, but the entire notebook is not going in  
13          on some -- on some footing that is unknown to  
14          the law. It just isn't appropriate.

15                   So, for example, page 64 will go in, page 49  
16                   will go in, page 71 will go in and the -- and  
17                   the pages that proceeded that to which you've  
18                   referred him will go in as exhibits in this  
19                   hearing. But they'll go in for the limited  
20                   purpose of those are the pages he used to  
21                   refresh his memory, to give his account of what  
22                   occurred on previous occasions. And the notes  
23                   don't go in as evidence themselves. There's no  
24                   basis for that whatsoever.

25           MR. JAFFE: Mr. Commissioner, might I have a brief

1                    submission on that point.

2                    THE COMMISSIONER: No. I've made my ruling.

3                    MR. JAFFE: Okay. You've made your ruling.

4                    THE COMMISSIONER: Mr. Jaffe, what possible  
5                    evidentiary basis can a notebook go before the  
6                    commission when it hasn't been identified, each  
7                    page hasn't been identified?

8                    MR. JAFFE: In the 25 minutes -- and I know I've  
9                    exceeded that -- it's absolutely impossible to  
10                   go through all of Mr. Alderson's notes. The  
11                   fact that they're not already --

12                   THE COMMISSIONER: What were you intending to take me  
13                   through, Mr. Jaffe? How many pages of his  
14                   notes? How many pages are there, first of all?

15                   MR. JAFFE: Well, there's a number. I haven't  
16                   counted them. But I'll tell you this,  
17                   Mr. Commissioner: this is not the refresh the  
18                   witness's memory. This is a dispute on evidence  
19                   between certain people who have testified as to  
20                   certain events and Mr. Alderson's contrary  
21                   evidence. He's pointing to notes made  
22                   contemporaneous with the events as proof that  
23                   his version ought to be preferred, his version  
24                   of the history ought to be preferred. This is  
25                   not a question of refreshing the witness's

1                   memory by reference to notes. These notes  
2                   become evidence in support of what Mr. Alderson  
3                   says is the -- are the facts in this matter, and  
4                   so therefore when you see Gordon Friesen saying  
5                   it's --

6                   MR. MCGOWAN: Mr. Commissioner, in my respectful  
7                   submission, counsel arguing with the  
8                   Commissioner is inappropriate. You've ruled on  
9                   the matter. The witness has had every  
10                  opportunity and will have every opportunity to  
11                  go to those portions of the notebooks that are  
12                  relative to matters that may bear on his  
13                  reputation or within the grant of standing that  
14                  he has. A review of the entirety of the  
15                  notebook would be entirely outside of his grant  
16                  of standing and is not appropriate. So I'm  
17                  going to suggest that Mr. Jaffe carry on with  
18                  his examination to the extent it falls within  
19                  his client's grant of standing.

20                 THE COMMISSIONER: All right. And I will mark those  
21                  pages that have been expressly referred to, but  
22                  again, they will be marked to demonstrate what  
23                  he referred to to refresh his memory in  
24                  testifying as he did. The rest of the notebook  
25                  doesn't go before the commission.

1 MR. JAFFE: Thank you, Mr. Commissioner.

2 Q Mr. Alderson, aside from those specific portions  
3 that I've taken you to in your notes, are there  
4 other portions of your notes which you wish to  
5 bring to the attention of the Commissioner that  
6 you feel support your version of what took place  
7 in this matter?

8 A I think there are pages within BCLC1522 that --  
9 regarding -- just confirming certain -- I was  
10 questioned on some emails earlier on by  
11 Ms. Mainville regarding the purpose of the  
12 emails and I alluded to that there was  
13 consultative process, many meetings about that.  
14 I'm essentially being accused of circumventing  
15 money laundering laws and those notes will show  
16 those meetings that took place. It also shows  
17 that, you know, when I actually came into the  
18 role and what I was doing on a day-to-day basis  
19 at that time, which I hope would be of some use.

20 MR. JAFFE: Okay. Before we get to 1522, given the  
21 ruling on the notes, Mr. Commissioner, I wonder  
22 if we might clarify the record, then, which  
23 specific pages and what exhibit number, whether  
24 we mark them collectively or as individual  
25 exhibits. I'm fine with whatever, how you want

1                   to proceed, but I just want to know what's in  
2                   and what's out.

3           THE COMMISSIONER: Well, what's in are the pages  
4           you've referred your client to.

5           THE WITNESS: So, Mr. Jaffe, I think I'm referring to  
6           pages 235 and the bottom of the notes,  
7           BCLC0001522.235 through .246, which covers my  
8           initial hiring as a director.

9           MR. JAFFE:

10          Q     Okay. Just -- sorry, Mr. Alderson. I just want  
11           to make sure we have the exhibit identified  
12           properly.

13          MR. JAFFE: We looked, Mr. Commissioner, at pages 68  
14           to 71, which was the notes covering that one  
15           meeting on April 18th, 2012. And we looked at  
16           pages 31, 31, 49, 51, and 64.

17          THE COMMISSIONER: All right.

18          MR. JAFFE: If it makes sense, Mr. McGowan, it all be  
19           marked collectively, then, as the next exhibit  
20           or do you want to -- however you wish.

21          THE COMMISSIONER: I think they can be marked  
22           collectively as the next exhibit, so that will  
23           be pages 68 to 71, 31, 49, 51 and 64.

24          THE REGISTRAR: Yes, that would be exhibit 1035,  
25           Mr. Commissioner.

1 THE COMMISSIONER: Thank you.

2 **EXHIBIT 1035: Ross Alderson Notes - January**  
3 **2011 - January 2013 (redacted) (only pages 31,**  
4 **49, 51, 64, 68-71 are marked as exhibit 1035)**

5 MR. JAFFE:

6 Q Now, unless there's anything else in 1520,  
7 Mr. Alderson that you want to speak to, you've  
8 referred to BCLC1522 as something you wish to  
9 have the commission look at?

10 A Yes. Pages --

11 Q Could we -- just hang on, please, Mr. Alderson.

12 MR. JAFFE: Madam Registrar could you put up 1522,  
13 please.

14 Q Which pages, then?

15 A 127.

16 MR. MCGOWAN: Can you first identify what the  
17 document is, please.

18 MR. JAFFE: Yes.

19 Q Could you do that, please? Yeah.

20 A Sure. These are my BCLC notes taken from my  
21 notebook from a period from about October 2013  
22 through to 2015.

23 Q Okay. Now, where in those notes did you wish to  
24 have the Commissioner direct his --

25 A 127. That's the BCLC number at the bottom of

1 the page.

2 Q Okay.

3 A Yep, 127. So on the 9th of July 2014, one of  
4 the topics of discussion has been the  
5 relationship with GPEB and where I was  
6 disappointed in their action. This is notes  
7 regarding a report to Crown counsel for a major  
8 theft -- sorry, major fraud on playnow.com where  
9 the GPEB investigator was unable to proceed with  
10 this investigation [indiscernible] and BCLC  
11 themselves were -- had to take over about a year  
12 after this to put a report to Crown counsel  
13 themselves. It relates to integrity issues  
14 where GPEB were claiming that they had criminal  
15 charges laid against these individuals related  
16 to when in fact that had not occurred and it  
17 actually led to a meeting in Victoria regarding  
18 some of the conduct of some of the GPEB  
19 investigators, which also corroborates my  
20 position on concerns with the organization.

21 Q And these notes, sir, are your handwritten notes  
22 taken --

23 A They are my handwritten notes, yes.

24 Q Do these notes reflect that meeting?

25 A It just -- it actually just refreshed my memory

1                   on that. There is a report that was taken to  
2                   Victoria by BCLC. This refreshes my memory more  
3                   than anything.

4           Q       Was there another page or two in this exhibit  
5                   that you wanted to have a look at?

6           A       235.

7           THE COMMISSIONER: Sorry, what number was that?

8           THE WITNESS: Sorry, Your Honour. It's 1522.235.

9           THE COMMISSIONER: 235. Thank you.

10          MR. JAFFE:

11          Q       What can you tell us about this?

12          A       This was a divisional meeting at BCLC -- BCLC  
13                   had -- as an organization had four pillars.  
14                   They work in integrity and so forth. But  
15                   reputation was a big one -- was a big one, and  
16                   so at times in some of my emails we talked about  
17                   reputation, and that's been seen to be something  
18                   as a negative that I'm not interested in the  
19                   criminality, it's all about reputation. Here is  
20                   evidence that we were instructed at a divisional  
21                   meeting that part of the strategy, the  
22                   reputation was to be promoted throughout those  
23                   emails, and that was used as a strategy. And I  
24                   used that moving forward to highlight integrity  
25                   issues within the organization to pull that word



1                   into it because BCLC were very worried about  
2                   their reputation. That's what that refers to.

3           Q       Is there anything else in exhibit 1522 that --  
4                   or -- this document, I guess it's not an  
5                   exhibit, but this document that you want to take  
6                   us to?

7           A       Page 242. 1522.242. This is from -- there it's  
8                   starting on Wednesday the 25th of March, and  
9                   when I signed the letter to become the director  
10                  of AML, and you'll notice there's a line there  
11                  that says "vacation," and then I came back on  
12                  the 21st of April. And I believe this is  
13                  relevant, Your Honour, because, again, I've been  
14                  criticized for some of the emails I wrote around  
15                  that time and I alluded to that I was wearing  
16                  multiple hats at that time and I had just come  
17                  back from a month's holiday and would have had  
18                  probably hundreds of emails in my inbox at that  
19                  time. And this was direct evidence that I was  
20                  on vacation and that I'm not just making it up.

21          Q       Okay. Is there anything else in this document  
22                   that you want --

23          A       155.246. So there was an email that  
24                   Ms. Mainville spoke about earlier again  
25                   suggesting that I had circumvented certain

1 rules, made a ruling on my own to -- regardless  
2 of what the investigators said related to an  
3 individual by the name of Gao. And if you go  
4 down to 1100 hours on that day, you'll see that  
5 there's a meeting, 1425 email, circulated to  
6 service provider re Gao, received call from  
7 Shauna Gillespie re Gao. The following day  
8 there was discussion with the investigators re  
9 Gao. Spoke to Daryl Tottenham re Gao. Chips  
10 outstanding. That reenforces my evidence that  
11 that was a complicated process and that this  
12 email suggested that I essentially made these  
13 decisions was made in conjunction with numerous  
14 people [indiscernible] became the director  
15 [indiscernible]. I think it's relevant.

16 Q Is there any other document or any other page in  
17 this document that you want to take us to  
18 Mr. Alderson?

19 A I don't have anything else at the time,  
20 Mr. Jaffe.

21 THE COMMISSIONER: All right. So 127, 235, 242 and  
22 246 will be marked as exhibits, then, the next  
23 exhibit.

24 THE REGISTRAR: Yes. Exhibit 1036, Mr. Commissioner.

25 THE COMMISSIONER: Thank you.

1                   **EXHIBIT 1036: Ross Alderson Notebook - October**  
2                   **2013 - May 2015 (redacted) (only pages 127, 235,**  
3                   **242, 246 are marked as exhibit 1036)**

4           MR. JAFFE:

5           Q     Mr. Alderson, in your review of the documents  
6                   that we had time to look at, is there any other  
7                   document that you want to take the Commissioner  
8                   to before we conclude for the day?

9           A     I can't think of anything else off the top of my  
10                   head, Mr. Jaffe.

11          Q     Okay. Is there anything else you want to say to  
12                   let the Commissioner know before we break for  
13                   the day?

14          A     I think it's been covered. And I think you made  
15                   your point earlier, Mr. Jaffe [indiscernible].

16          MR. JAFFE: Thank you, Mr. Alderson. Thank you,  
17                   Mr. Commissioner and Mr. McGowan and everyone  
18                   else for allowing me some extra time.

19          THE COMMISSIONER: All right. Thank you, Mr. Jaffe.  
20                   I don't think we've --

21          MR. MCGOWAN: As we've done with all witnesses that  
22                   you canvassed participants to see if there's  
23                   anything arising. I may have one brief matter.

24          THE COMMISSIONER: Yes, I'm going to do that,  
25                   Mr. McGowan.

1 MR. MCGOWAN: Thank you.

2 THE COMMISSIONER: Starting with Mr. Bolton on behalf  
3 of Mr. Meilleur.

4 MR. MCGOWAN: Mr. Bolton is no longer with us, but a  
5 colleague of his is on the line, and just as  
6 they're new to the process, we do go through the  
7 lineup to see if anything has arisen that  
8 counsel may wish to canvass, but only new  
9 matters that have arisen in examinations after  
10 you.

11 THE COMMISSIONER: All right.

12 MS. MAHMOOD: No, Commissioner, nothing further.

13 THE COMMISSIONER: Mr. DelBigio?

14 MR. DELBIGIO: Nothing. Thank you.

15 THE COMMISSIONER: Thank you. Mr. Butcher?

16 MR. MCGOWAN: I see Mr. Butcher is unmuted, but for  
17 his benefit, we can't hear you, Mr. Butcher.  
18 One more time. That's good.

19 THE COMMISSIONER: I'm sorry.

20 MR. MCGOWAN: Why don't we move on. Mr. Butcher, if  
21 you do have questions please let me know in the  
22 chat, and we'll sort that out.

23 THE COMMISSIONER: Thank you. I'll move back, then,  
24 to Ms. Mainville.

25 MS. MAINVILLE: No questions, thank you.

1 THE COMMISSIONER: Thank you. Mr. McFee?

2 MR. McFEE: Nothing arising. Thank you,

3 Mr. Commissioner.

4 THE COMMISSIONER: Mr. Mistry didn't use his

5 examination in chief. Ms. Bevan?

6 MS. BEVAN: Nothing. Thank you, Mr. Commissioner.

7 THE COMMISSIONER: Thank you. Mr. Skwarok?

8 MR. SKWAROK: No, thank you.

9 MR. MCGOWAN: I believe he said "no, thank you."

10 THE COMMISSIONER: Mr. Smart?

11 MR. SMART: There is, Mr. Commissioner. It's just

12 one area of the notes that Mr. Jaffe took

13 Mr. Alderson to, and it was the notes --

14 exhibit 1035, pages 68 to 72.

15 THE COMMISSIONER: All right.

16 MR. SMART: I wonder if those could be put on the

17 screen, please.

18 THE COMMISSIONER: Very well.

19 **EXAMINATION BY MR. SMART:**

20 Q So let me just start on the first page,

21 Mr. Alderson. 68. It looks that the notes were

22 made at 1340 hours, but the meeting that you

23 were called into occurred at 10:30. Do I have

24 that correct?

25 A The investigator meeting started at 10:00 a.m.

1                   and we were called out of that. I'm not sure  
2                   what time the actual meeting -- 10:30, yes it  
3                   does say so 10:30. That's correct. These notes  
4                   were taken about three hours after the meeting.

5           Q       Yes. They're three hours and 10 minutes after  
6                   the start of the meeting?

7           A       That's correct.

8           Q       Okay. And if I take you to page 72 it looks  
9                   like after the meeting that you -- at 11:30 you  
10                  and Mr. Beeksma, Mr. Lee -- I'm sorry, the three  
11                  of you went for lunch and discussed the meeting  
12                  that had just occurred with Mr. Towns and  
13                  Mr. Friesen?

14          A       That's correct.

15          Q       Yes. And you've noted here:

16                         "Overwhelming feeling was disappointment  
17                         in corporate stance. Discuss ethics  
18                         regarding Towns."

19                  What's the next word? Can you tell us that?

20          A       Yeah.

21                         "Towns' stance on chip passing and how we  
22                         felt let down that we were not consulted  
23                         throughout process to the Wang file."

24                  Yeah.

25          Q       "Was consulted through Karlovcec the whole

1                   way and now I was being reamed for it.

2                   Decision made to document meeting."

3                   A decision, that is the three of you made a --  
4                   the three of you discussed the meeting over  
5                   lunch. A decision was made to document the  
6                   meeting?

7           A       Well, I certainly documented it. I don't know  
8                   if I'm saying that's -- I made a decision to  
9                   document the meeting.

10          Q       Okay.

11          A       I know Mr. -- I know Mr. Lee took notes as well.  
12                   I think he's already put those in evidence. I'm  
13                   not sure.

14          Q       All right. Anyways --

15          A       These are certainly my note.

16          Q       And those are the notes -- that was your state  
17                   of mind at the time that you started to make  
18                   these notes, that is that you were disappointed,  
19                   you're upset about being reamed out about  
20                   something -- a decision you had made; is that  
21                   fair?

22          A       They are contemporaneous notes, that is correct.

23          Q       No, but they were made with your state of mind  
24                   that you're upset with Towns and Friesen when  
25                   you sit down to make these notes; correct?

1           A     These notes are contemporaneous.  So however I  
2                   was feeling at the time, that was when I made  
3                   these notes, they were made just three hours  
4                   after that meeting.

5           Q     Yes.  But with a state of mind that you're upset  
6                   with Towns and Friesen when you make them;  
7                   right?

8           A     As a result of the meeting, yes.

9           Q     Yeah.

10          A     Yes.

11          Q     And what was your purpose in making the notes?

12          A     Well, we just basically had been told to not do  
13                   our jobs and circumvent FINTRAC guidelines, so I  
14                   made these notes because I thought they were  
15                   quite noteworthy.

16          Q     Well, was there -- did you not see there was a  
17                   bit of a risk that you might bring your own  
18                   bias, your own self-interest to your perspective  
19                   to the notes and they may not entirely reflect  
20                   what was said?

21          A     Well, they are my notes, Mr. Smart, so any notes  
22                   taken by an individual will of course be their  
23                   own notes.

24          Q     Well, they're your recollection of what was  
25                   said; correct?



1           A     That is correct. That's what notes are.

2           Q     And it's a recollection after the three of you  
3                 have discussed the meeting?

4           A     Correct.

5           Q     And you know from your police experience the  
6                 last thing you do is tell three people to get  
7                 together, discuss a conversation because you  
8                 know that can impact their recollection;  
9                 correct?

10          A     Correct.

11          Q     Okay. I note at page 70, if we go back to 70.  
12                 At the bottom, about the fifth line from the  
13                 bottom you've got -- sixth line:

14                     "Town's again reiterated 'are we all on the  
15                     same page'."

16                 Do you see that?

17          A     Yes.

18          Q     So I gather with quotation marks you were  
19                 confident three hours later that those were the  
20                 exact words used by Mr. Town's?

21          A     Yes.

22          Q     Over to page 71, the portion that you were taken  
23                 to at the bottom. I'll just start a little  
24                 higher up. About eight lines from the bottom  
25                 you write:

1                    "He stated put the onus back on service  
2                    provider."

3                    Do you see that?

4                    A    Yep.

5                    Q    Yeah.

6                    A    Yes, sorry.

7                    Q    No, that's all right.

8                    "He stated put the onus back on service  
9                    provider in that case to find out why the  
10                   patron did it. EG don't investigate  
11                   potential activity on site and let the  
12                   site do it and report back to us (this  
13                   totally contradicts our job description in  
14                   policy)."

15                   Why did you add that?

16                   A    Mr. Smart, you're asking me a question of why I  
17                   put something in notes nine years ago. I can't  
18                   tell you why I would have put that in there at  
19                   that time.

20                   Q    But it wasn't the conversation, was it?

21                   A    Sorry?

22                   Q    It wasn't --

23                   A    That's my -- that's my own -- yeah, that wasn't  
24                   brought up in the meeting. But that's why I've  
25                   added that in there because obviously that was

1                   my understanding of the job description and  
2                   policy at the time.

3           Q           "Friesen said he had argued on our  
4                    behalf --"

5                   I've read that correctly?

6           A           Yes.

7           Q           "-- and that his hands were tied."

8                   That was your recollection three hours later of  
9                   what he'd said?

10          A           That's correct.

11          Q           "It's all about the revenue."

12                   Now, that isn't in quotation marks, is it?

13          A           No.

14          Q           And you don't know, certainly not today, you  
15                    don't know whether that's just the inference or  
16                    opinion, the reasons he came to as opposed to  
17                    that's what he was told; correct?

18          A           That's correct.

19          MR. SMART: All right. Thank you, Mr. Alderson.

20                   Those are my questions.

21          THE WITNESS: Thank you, Mr. Smart.

22          THE COMMISSIONER: Mr. Simonneaux for Canada.

23          MR. SIMONNEAUX: No, nothing arising. Thank you,  
24                    Mr. Commissioner.

25          THE COURT: Thank you. And Ms. Chewka for the

1 Province.

2 MS. CHEWKA: Yes, Mr. Commissioner. We have a couple  
3 of questions for Mr. Alderson.

4 THE COMMISSIONER: Thank you.

5 **EXAMINATION BY MS. CHEWKA:**

6 Q Mr. Alderson, in your testimony you've made some  
7 statements with respect to GPEB that can be  
8 described as hyperbolic in nature. Would you  
9 agree with that?

10 A Can you give me an example.

11 Q I believe you called GPEB a lapdog and  
12 vindictive in nature. Would you agree that's  
13 hyperbolic?

14 A Those are my -- those are my feelings. I'm  
15 being honest.

16 Q But you also state in your testimony that you  
17 wanted to refrain from making general  
18 statements; is that correct?

19 A Yes. That's fair. That's fair. But I do --  
20 general statements -- as I said, I had good  
21 relationships with certain individuals at GPEB,  
22 but overall as an organization, I believe they  
23 failed. And I've said that. They portrayed  
24 themselves as a watchdog; right? They were  
25 there for integrity, but they did not do what

1                   they were supposed to do.

2                   Q    Mr. Alderson, to avoid the general, I'd like to  
3                            canvass some examples with you.  When you raised  
4                            concerns about Lisa Gao's involvement in a third  
5                            party buy-in with GPEB, GPEB investigated that  
6                            and took action against Ms. Gao; is that  
7                            correct?

8                   A    Yes, that's correct.

9                   Q    And during your time as director of AML, GPEB  
10                           was directing BCLC to implement a source of  
11                           funds policy.  Isn't that correct?

12                  A    GPEB put a lot of -- put a lot of statements  
13                           forward after the meeting I had with Cal  
14                           Chrustie.  I would say that, that there was a  
15                           [indiscernible] going on for a number of years.

16                            You're referring to the Lisa Gao -- that's  
17                            in 2017.  I'm referring to a period of time from  
18                            2011.  I would agree that certain individuals  
19                            did -- as my lawyer has brought forward an email  
20                            from 2019 that some of these issues that I'm  
21                            talking about were still around at that time.

22                  Q    Mr. Alderson, I'll ask the question again.  When  
23                            you were director of AML at BCLC you would agree  
24                            with me that GPEB was directing BCLC to  
25                            implement a source of funds policy.  Isn't that

1 correct?

2 A I don't recall GPEB ever directing a source of  
3 funds policy while I was director. Most of the  
4 direction was coming from BCLC.

5 Q So when you were the director of AML of BCLC you  
6 don't recall receiving a direction letter from  
7 GPEB with respect to a source of funds policy?

8 A There may have been a direction letter, you are  
9 right, but what I'm referring to is in 2015 the  
10 source of funds that would be put on players  
11 when that direction letter came across BCLC were  
12 already doing it. Do you have the date on that  
13 letter, Ms. Chewka? I could put this to bed if  
14 you like.

15 Q If I can assist I can have Madam Registrar pull  
16 up the letter.

17 MS. CHEWKA: It's exhibit 505, Madam Registrar. And  
18 it's exhibit 53 to that affidavit of  
19 Mr. Lightbody. Apologies, exhibit 50 to  
20 exhibit 505.

21 THE REGISTRAR: Sorry, did you say exhibit 1-5.

22 MS. CHEWKA: 5-0. Apologies. Thank you.

23 Q Do you recall this letter?

24 A Vaguely. It's obviously sent to Mr. Lightbody.  
25 But -- yeah, that's what I'm alluding to there.

1                   The date on the letter is September the 1st,  
2                   2015. BCLC had already had people on conditions  
3                   by that stage. I would -- this letter is as a  
4                   result of E-Pirate.

5           Q       But you would agree with me that at this time  
6                   BCLC did not have a general source of funds  
7                   policy?

8           A       No, they had -- I mean, there had been a  
9                   protocol document in April of that year, right,  
10                  and they'd already put sources of funds and they  
11                  were well within it and GPEB knew that. This  
12                  document is as a result of E-Pirate. That's all  
13                  it is.

14           MS. CHEWKA: Madam Registrar, can I have exhibit 53  
15                  to exhibit 505 up next, please.

16           Q       This is an October 1st letter addressed to Bud  
17                  Smith, and this one is from the minister?

18           A       Yes.

19           Q       And, again, the minister's now directing BCLC to  
20                  implement a source of funds policy in this  
21                  letter, and so if BCLC had already had one, you  
22                  would agree with me it would be unnecessary for  
23                  the minister to send a letter a month later  
24                  directing BCLC to implement a general source of  
25                  funds policy. Isn't that correct?

1           A     But as Ms. Mainville went through in her  
2                   evidence after my meeting with Mr. Kroeker in  
3                   [indiscernible] in September there was already  
4                   36 people that were being put on cash conditions  
5                   and there was -- I don't know the date on that  
6                   particular one, but I think that letter went out  
7                   to the service providers in September.

8           Q     But you would agree with me that in September  
9                   and October of 2015 GPEB is writing to BCLC  
10                  directing BCLC to implement a general source of  
11                  funds policy; isn't that correct?

12          A     They are writing a letter at the time, yes, they  
13                  are.

14          MS. CHEWKA: Madam Registrar, I'm done with this  
15                  exhibit, please.

16          Q     Now, during your time as director of AML for  
17                  BCLC, you would agree with me that BCLC would  
18                  also forward draft policies to GPEB who would  
19                  provide substantive feedback on those policies;  
20                  is that correct?

21          A     Yes. In the -- in appropriate circumstances.

22          Q     And in June 2015 you've also testified that  
23                  there was an AML summit that was held between  
24                  GPEB and BCLC and other AML stakeholders; is  
25                  that correct?



1           A     Correct.

2           Q     You would also agree with me that GPEB has been  
3                   a member of JIGIT since 2016; is that correct?

4           A     Certain members have, yes.

5           Q     And you also testified today about the  
6                   spreadsheet that was created by GPEB  
7                   investigators showing the large number of cash  
8                   buy-ins in BC casinos; isn't that correct?

9           A     That is correct.

10          Q     And as we discussed yesterday, GPEB also  
11                investigated the allegations with respect to the  
12                statements allegedly made by Mr. Kroeker; is  
13                that correct?

14          A     That is correct.

15          Q     And so I'm going to put it to you, Mr. Alderson,  
16                that your general statements that you made about  
17                GPEB are incorrect.

18          A     No.  Where were the spreadsheets in 2014, 2013,  
19                2012, 2011?  Why did the spreadsheet -- why at  
20                that AML summit -- why did Mr. Len Meilleur say  
21                that they weren't going to investigate money  
22                laundering if GPEB were demanding all that  
23                information?  And why did your GPEB manager of  
24                investigations give evidence to this Cullen  
25                commission that they were too frightened to

1 interview people because of the organized crime  
2 that were in casinos?

3 They certainly did some things, but what I'm  
4 putting forward is that much of it was as a  
5 result of the conversation that I had with Cal  
6 Chrustie and subsequently had with Len Meilleur.  
7 From that time onwards, there were multiple  
8 directives. It may appear that there's letters  
9 that they were directing that AML program, but  
10 the chronology, the bags of cash were coming in  
11 years prior to that and GPEB's own investigators  
12 were raising those concerns. There are  
13 documents and there are letters that clearly  
14 articulate that. So that is my issue. They may  
15 have done some things late in the game, but to  
16 say that the government were all over this is  
17 just not true.

18 Q Mr. Alderson, I'm going to put it to you that it  
19 seems from your testimony over the last two days  
20 you're very quick to take credit for AML  
21 initiatives on behalf of BCLC but you're also  
22 quick to -- or reluctant, I'll say, to take  
23 responsibility for BCLC's failure to implement  
24 AML policies. Is that an accurate summary of  
25 your testimony over the last two days?

1           A     No. I'll give credit where credit is due. I've  
2                    given credit to a number of people at GPEB,  
3                    including Mr. Meilleur and others as well. And  
4                    if I've made failings, well, I've tried my best.  
5                    And clearly it wasn't good enough because  
6                    Mr. German came in and the government have  
7                    implemented different things. But I tried my  
8                    best. That's all I did.

9           MS. CHEWKA: Mr. Commissioner, we have no further  
10                    questions for this witness.

11          THE COMMISSIONER: All right. Thank you, Ms. Chewka.  
12                    And Mr. McGowan?

13          MR. MCGOWAN: Yes, Mr. Commissioner.

14          **EXAMINATION BY MR. MCGOWAN:**

15          Q     Just a matter that arose in the examination by  
16                    Ms. Mainville that I just wanted to clear up.  
17                    Mr. Alderson, Ms. Mainville asked you some  
18                    questions regarding notebooks and notebooks that  
19                    were with BCLC and notebooks that -- notebook or  
20                    notebooks which did not remain with BCLC. So do  
21                    I understand that your notebooks up until April  
22                    2017 remained with BCLC?

23          A     I believe so.

24          Q     This is covering the period up to April 2017?

25          A     I believe so.

1           Q     Okay.  And the notebook -- or the time period  
2                     after 2017, was that contained in a single  
3                     notebook?

4           A     Yes.

5           Q     Okay.  And that notebook did not remain with  
6                     BCLC, it went home with you?

7           A     That's right.

8           Q     Okay.  Ms. Mainville asked you some questions  
9                     about a conversation you had with Mr. Skrine  
10                    regarding your notebooks.  I understand that you  
11                    told Mr. Skrine your evidence is you told  
12                    Mr. Skrine that all of your notebooks remained  
13                    with BCLC?

14          A     Yes, I believe that's what I told him, yeah.

15          Q     Okay.  You didn't tell him that you had taken  
16                    one home?

17          A     No.

18          Q     Okay.  And the one you took home you had thrown  
19                    out?

20          A     Yes.

21          Q     Okay.  And at the time you told Mr. Skrine that  
22                    all of the notebooks were with BCLC had you  
23                    already thrown that notebook out?

24          A     Yes.

25          Q     Okay.  The answer to the next question perhaps

1 follows obviously, but I'll ask it. At the time  
2 you told Mr. Skrine that all of the notebooks  
3 resided with BCLC you knew you had thrown one of  
4 them out at home; is that fair?

5 A Yes.

6 Q Is it possible that the notebook you threw out  
7 covered a time period when you say the  
8 conversation happened with Mr. Kroeker about  
9 easing up on cash conditions?

10 A It may have, Mr. McGowan. I don't know. As I  
11 said, I didn't throw it out for any other reason  
12 other than I didn't want to be -- have it in my  
13 possession.

14 Q Okay. And ultimately it was a complaint that  
15 was made by you that led -- that initiated the  
16 process where you were interviewed by  
17 Mr. Skrine; is that right?

18 A That is correct.

19 Q Okay. And when you made the complaint did you  
20 make it after you had thrown the notebook out?

21 A Yes.

22 MR. MCGOWAN: Thank you. Those are my questions,  
23 Mr. Commissioner.

24 THE COMMISSIONER: Thank you. Just give me a moment.

25 MR. MCGOWAN: Yes, it's been a long session.

1 THE COMMISSIONER: Yes. Thank you, Mr. Alderson.

2 You are excused from further testimony. And I  
3 appreciate that you've had a very long day today  
4 and followed by a not quite as long but  
5 nevertheless a long day yesterday, so I'm  
6 appreciative of the time you've taken and the  
7 fact that you stuck with it to the bitter end.  
8 You're now excused from further testimony.

9 THE WITNESS: Thank you.

10 **(WITNESS EXCUSED)**

11 THE COMMISSIONER: Mr. McGowan.

12 MR. MCGOWAN: Adjourning until Monday 9:30.

13 THE COMMISSIONER: 9:30. Thank you. Monday morning,  
14 9:30.

15 THE REGISTRAR: The hearing is now adjourned until  
16 September 13th, 2021 at 9:30 a.m. Thank you.

17 **(PROCEEDINGS ADJOURNED AT 8:32 P.M. TO SEPTEMBER 13,**  
18 **2021)**

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